

ANNUAL  
**REPORT**  
2 0 1 5

# Finansia Syrus...

Offer Wide Range Services and Provide Investment Solutions

## MARKET SHARE

Unit : Baht Million



# CONTENTS

---

03 Vision and Mission

---

04 Finansia Syrus's Footprint

---

06 Financial Highlights

---

07 Financial Status at a Glance

---

08 Message from the Chairman

---

10 Board of Directors

---

11 Nature of Business

---

12 Securities Business

---

16 Investment Banking Business

---

19 Other Businesses

---

21 Securities Trading

---

22 Finansia Syrus's Sustainability

---

Development

---

24 Report of the Board of Directors's  
Responsibility for Financial Statements

---

25 Report of the Audit Committee

---

27 Independent Auditor's Report

---

29 Financial Statements

---

91 Management Discussion  
and Analysis

---

99 Related Transactions

---

102 Major Events in 2015

---

103 Risk Factors

---

108 Good Corporate Governance

---

116 Shareholders's Structure  
and Management

---

148 Dividend Policy

---

149 Subsidiaries, Associates and  
Joint Ventures

---

150 Corporate Information

---

# VISION



“To be the leading and reputable broker with comprehensive and most advanced services and a regional coverage”

## MISSION

Full  
Services

Product  
Innovative

Corporate  
Governance

Specialist In  
Greater  
Mekong

We aspire to be the leading securities company with emphasis on retail individual investors through quality investment advisory to optimize returns, offer comprehensive investment products and services, ethical and fair treatment of customers, as well as constant technological development. We also aim to be a specialist in the GMS market.



# FINANSIA SYRUS'S FOOTPRINT

17

Provinces

36

Branches

501

IC



● Through its 36 branches nationwide;  
17 branches in Bangkok and its vicinity,  
19 branches in up country

● 501 Investment Consultants



# FINANSIA SYRUS'S FOOTPRINT

● Through 24 countries; 33 exchanges worldwide



# FINANCIAL HIGHLIGHTS

		2013	2014	2015
<b>Consolidated</b> (Baht Million)	Total Revenue	2,437	1,855	1,709
	Net Profit	400	230	138
	Total Assets	4,035	4,138	4,010
	Total Liabilities	2,069	1,942	1,664
	Total Equities	1,966	2,196	2,346
	Net Cash Flow from Operating Activities	656	322	(474)
<b>Profitability Ratio</b> (Percentage)	Net Profit Margin	16.40	12.39	8.07
	Return on Total Assets (ROA)	12.84	7.37	4.53
	Return on Total Equity (ROE)	22.30	11.04	6.07
<b>Debt to Equity Ratio</b> (Times)	Debt to Equity Ratio	1.05	0.88	0.71
<b>Per Share Data</b> (Baht)	Earning per shares <sup>1</sup>	0.3790	0.8924	0.4430
	Book Value per Share	4.27	3.77	4.05
	Dividends per Share	0.15	0.31 <sup>2</sup>	0.17
	Dividend Payout Ratio <sup>3</sup> (%)	40.39	35.37	38.37
<b>Share Capital</b> (Thousand shares)	Par Value (Baht per Share)	1.60	1.60	1.60
	Registered Ordinary Shares	467,308,199	550,055,813	581,403,025
	Registered Preferred Shares	-	-	-
	Number of Ordinary Shares Outstanding	467,216,082	550,055,032	581,403,025
	Number of Weighted Average Ordinary Shares Outstanding	464,606,392	550,055,032	550,221,699

Remark: 1: The Company Financial Statements

2: Dividend payment in form of ordinary shares and cash; (1) Company ordinary shares at the ratio of 5.64 existing shares for 1 units or at value of Baht 0.28 per share; and (2) cash payment at rate of Baht 0.0315208826 per share.

3: Dividend payout ratio calculated from profits for the year of the Company less legal reserve (5%) in cash basis.

# FINANCIAL STATUS AT A GLANCE

Unit: Baht Million

Consolidated Cash Flow Statements			
For the Year Ended 31 December 2015			
Net Cash Used in Operating Activities		(474)	
Net Cash Used in Investment Activities (1)		(43)	
Net Cash Used in Financial Activities (2)		(95)	
Net Increase (Decrease) in Cash and Cash Equivalents		(612)	
Cash and Cash Equivalents on 31 December 2014		996	
Cash and Cash Equivalents on 31 December 2015		384	

Consolidated Financial Position Statements		Consolidated Comprehensive Income		Consolidated Financial Position Statements	
As at 31 December 2014		For the Year Ended 31 December 2015		As at 31 December 2015	
<b>Assets</b>		<b>Revenues</b>		<b>Assets</b>	
Cash and Cash Equivalents	996		1,679	Cash and Cash Equivalents	384
Securities and Derivatives	2,469	Total Expenses	1,495	Securities and Derivatives	2,034
Business Receivables		Profit Before Income Tax	184	Business Receivables	
Other Assets	673	Expenses		Other Assets (4)	1,592
<b>Total Assets</b>	<b>4,138</b>	Income Tax Expenses	47	<b>Total Assets</b>	<b>4,010</b>
<b>Liabilities</b>		Exchange Differences on	5	<b>Liabilities</b>	
Securities and Derivatives	1,148	Translation of Financial		Securities and Derivatives	1,190
Business Payables		Statements in Foreign		Business Payables	
Other Liabilities	794	Currency		Other Liabilities (5)	473
Share Capital,	1,504	<b>Net Profit</b>	<b>143</b>	Share Capital,	1,617
Premium & Reserves				Premium & Reserves	
Retained earnings-net	692			Retained earnings-net	728
Non-controlling Interests	0.2			Non-controlling Interests	0.3
<b>Total Liabilities and Equity</b>	<b>4,138</b>			<b>Total Liabilities and Equity</b>	<b>4,010</b>

Retained Earnings	
As at 31 december 2015	
Balance as at 31 December 2014	692
Legal Reserve	(12)
Total Earnings for 2015	143
Dividends (3)	(93)
Balance as at 31 December 2015	728

## Notes

- (1) Net cash paid for investing activities of Baht 43 million was primarily due to cash investments in associates and joint ventures and acquisition of intangible assets of Baht 17 million.
- (2) Net cash paid for financing activities of Baht 95 million was primarily due to dividend payment of Baht 93 million.
- (3) The Company paid dividend payment of Baht 93 million in May 2015 at the rate of Baht 0.17 per share.
- (4) Investment & others increased by Baht 919 million, primarily due to
  - increase in trading investments and general investments of Baht 431 million
  - increase in investments in a subsidiary, an associate, a jointly-controlled entity of Baht 93 million which was for capital increase in Company's subsidiary, associate and jointly-controlled entity.



# MESSAGE FROM THE CHAIRMAN



## To the Shareholders

Looking back on another rough year, 2015 saw the SET index falling from 1,497 at beginning of the year to 1,288 at year end while trading volume was down from Baht 45.5 billion per day in 2014 to only Baht 44.3 billion in 2015. The Thai market performance was in line with the general decline of markets globally resulting from China's economic slowdown and the oil price crash.

To compound the difficulties, 6 new brokers that have started operations since the last few years intensified the competition, driving commission rates down to record low. Commission rates for the industry in 2015 averaged at 0.13 percent down from 0.14 percent in the previous year.

In coping with the volatile market, the Company continued in its efforts to broaden its revenue composition while still striving to maintain a leading position in stock brokerage. In this regard, 2015 saw the following results by the Company:

**Chatchaval Jiaravanon**

Chairman of the Board of Directors

- FSS's market share was up slightly from 5.24 percent in 2014 to 5.72 percent in 2015, resulting in moving up of one rank from fourth to third;
- The proportion of foreign institutional trades rose from about 15 percent to about 19 percent in 2015;
- We continue to lead in the Investment Banking activities with the highest number of IPO's underwritten for 2015, a trend that has continued for 4 consecutive years;
- SBI Thai Online, a joint venture in specialized online trading with SBI Holding Inc. of Japan, launched its services in the 4<sup>th</sup> quarter of 2015. It is expected that, over time, SBI Thai would be a key driver in online trading complementing FSS's own E-business activities;
- Preparation for derivatives warrants was completed with the Company's 1<sup>st</sup> DW issue ready for launching in 1<sup>st</sup> Quarter of 2016.

In addition, FSS continued to attach strategic importance to CLMV markets. Its Cambodian affiliate, SBI Royal Securities, has achieved significant progress in corporate finance deals including major cross-border M&A transaction, IPO's and privatization. In Vietnam, we continue to provide sales and system supports to Thai investors trading into its market in collaboration with our local partner. We also closely monitor developments in Myanmar opening of its capital market.

Overall, despite the pessimism surrounding the capital markets resulting in the drop in the Company's profitability, we believe that the Company's strategic alignment towards new products and E-business as well as regional expansion would strengthen the Company's business foundation for future growth. Costs control measures are also important policies for the new year. We thank the shareholders, customers and employees for their continual support and trust.



Chatchaval Jiaravanon

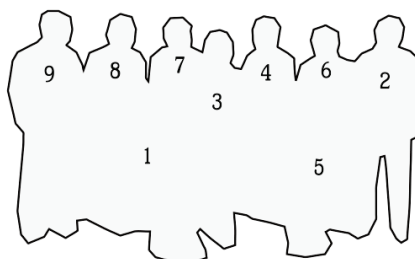
Chairman of the Board of Directors

# BOARD OF DIRECTORS



1. **Mr. Chatchaval Jiaravanon**  
Chairman of the Board
2. **Mr. Varah Sucharitakul**  
Deputy Chairman of the Board
3. **Mr. Chuangchai Nawongs**  
Director
4. **Mr. Somphop Keerasuntonpong**  
Director
5. **Mrs. Pornpring Suksantisuwan**  
Director

6. **Mr. Som Pisarnsopon**  
Director
7. **Pol.Lt.Gen. Visanu Prasattongsoth**  
Independent Director
8. **Mr. Phaiboon Siripanoosathien**  
Independent Director
9. **Mr. Kittisak Bencharit**  
Independent Director



# NATURE OF BUSINESS

The Company's business operations can be grouped into Securities Brokerage, Investment Banking, Investment Advisory, Bond Business, Derivatives Business, Selling Agent Business, Stock Borrowing and Lending and Global Trading. The details of each business are as follows:

## Revenue Structure 2015

The revenue structure of the Company and its Subsidiary in 2013 – 2015

Types of Revenue	2013		2014		2015	
	Baht Million	%	Baht Million	%	Baht Million	%
Brokerage fees	1,880	77.23	1,473	80.00	1,415	84.25
Fees and services income	89	3.65	141	7.66	63	3.73
Gain on investments	206	8.48	100	5.44	96	5.69
Loss on derivatives	(0.2)	(0.01)	(0.04)	(0.00)	5	0.30
Share of losses from investments in an associate and a jointly-controlled entity under equity method			(13)	(0.71)	(29)	(1.75)
Interest and dividend income	73	3.00	74	4.04	65	3.87
Interest income on margin loans	75	3.09	56	3.05	58	3.45
Other income	111	4.55	10	0.53	8	0.45
<b>Total Revenues</b>	<b>2,435</b>	<b>100.00</b>	<b>1,841</b>	<b>100.00</b>	<b>1,679</b>	<b>100.00</b>



## SECURITIES BUSINESS

“Finansia Syrus, through over 700 employees and 36 branches nationwide, is dedicated to create satisfaction for each of its customer. We encouraged every staff in their development to achieve better performances and together building a strong and sustainable brand”

Mr. Chuangchai Nawongs

Chief Executive Officer



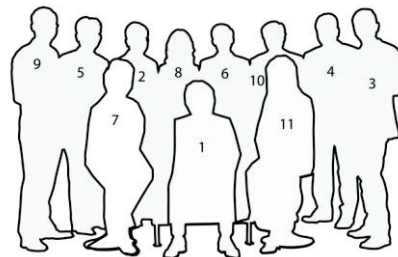
# Management

## Securities Business



1. Mr. Chuangchai Nawongs  
Chief Executive Officer
2. Mr. Kuntra Ladavalya Na Ayudhya  
Director
3. Mr. Chatchai Chumsiri  
Director
4. Mr. Chaiyaporn Dhammapeera  
Director
5. Mr. Pothorn Choemvarachat  
Director
6. Mr. Somchai Keawjaroenpisan  
Director

7. Mrs. Vilai Phongpreecha  
Director
8. Ms. Kanoknapat Sithivaraporn  
Director
9. Mr. Supat Apiratimai  
Director
10. Mr. Pannatat Samittisakda  
Director
11. Mrs. Nusara Rooncharoen  
Director



## Market Overview

At the end of 2015, SET index closed at 1,288.02 points, decreased by 14.0 percent YoY. SET's market capitalization stood at Baht 12.28 trillion, decreased by 11.36 percent YoY while mai's market capitalization was at Baht 323.48 billion, decreased 15.56 percent YoY totaling Baht 12.61 trillion, decreased by 11.47 percent from the previous year. The dividend yields of SET and mai was 3.58 percent and 1.29 percent respectively.

The average daily trading value of SET and mai was Baht 44.30 billion, decreased by 2.56 percent from the previous year, having been effected by internal factors such as the lowered GDP growth forecast, the export slowdown, the explosion at Ratchaprasong and external factors such as Greece's debt crisis, concerns over a slowdown in Chinese economic growth, the US Federal Reserve's interest rate rise, and the decrease of oil price.

Foreign investor was net seller of Baht 155.63 billion in 2015 increasing from the previous

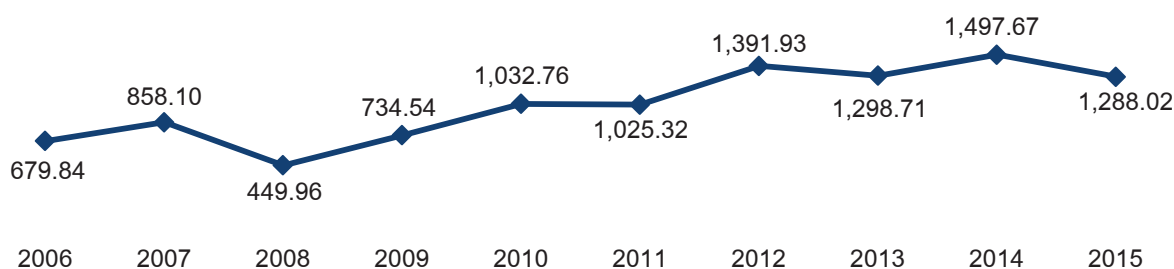
year which foreign investor was net seller of Baht 36 billion while local investor and local institution had net buyer position in 2015.

In 2015, total accounts of SET were 1.24 million accounts, increased by 13.30 percent from the previous year.

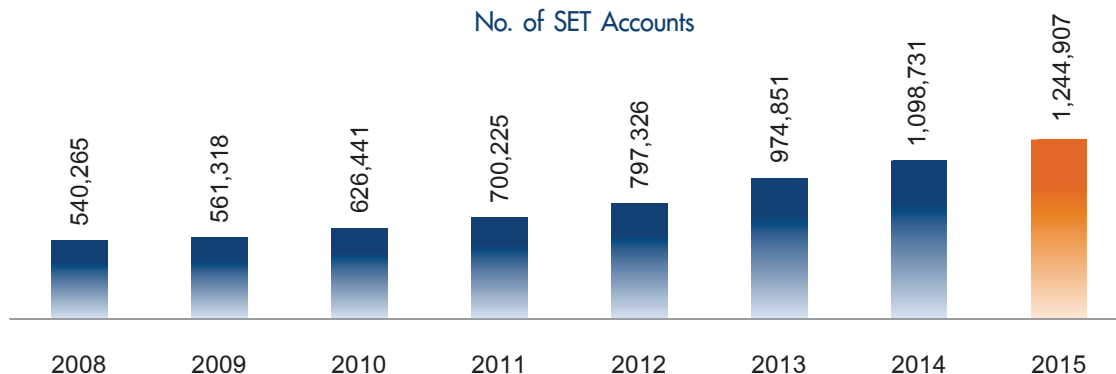
## Securities Brokerage

The Company, a member of SET No.24, provided securities brokerage business since August 9<sup>th</sup>, 2002. The Company has knowledgeable and experienced investment consultants providing stock analysis to clients to support their investment decision. In response to the needs of clients, online trading is also provided. The clients, then, are able to execute transaction, check their own portfolio, confirmation and settlement information online. The Company has both domestic and international individual and institutional clients.

The Movement of SET Index

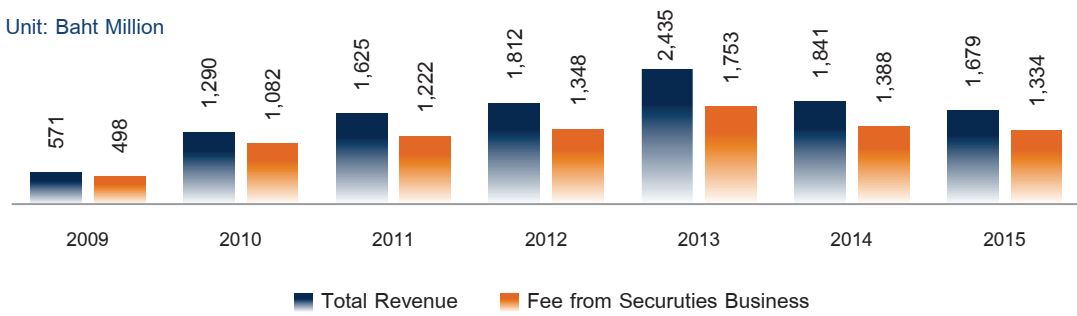


No. of SET Accounts



### Brokerage Fee from Securities Business and Total Revenue of the Company

Unit: Baht Million



In 2013, the Company and its Subsidiary received the brokerage fee at the amount of Baht 1,752.94 million while the Company brokerage fee stood at Baht 1,631.17 million, equivalent to 72.00 percent and 68.83 percent of total revenue.

In 2014, the Company and its Subsidiary received the brokerage fee at the amount of Baht 1,388.47 million while the Company's brokerage fee stood at Baht 1,388.47 million, equivalent to 75.43 percent and 74.76 percent of total revenue.

In 2015, the Company and its Subsidiary received the brokerage fee at the amount of Baht 1,333.62 million while the Company's brokerage fee stood at Baht 1,333.62 million, equivalent to 79.43 percent and 77.90 percent of total revenue.



# INVESTMENT BANKING BUSINESS

“Our past achievement has propelled FSS to be the leading financial advisor and underwriter. Our instrumental role in driving the Thai Capital market marks our competitive advantage”

**Mr. Somphop Keerasuntonpong**

Director



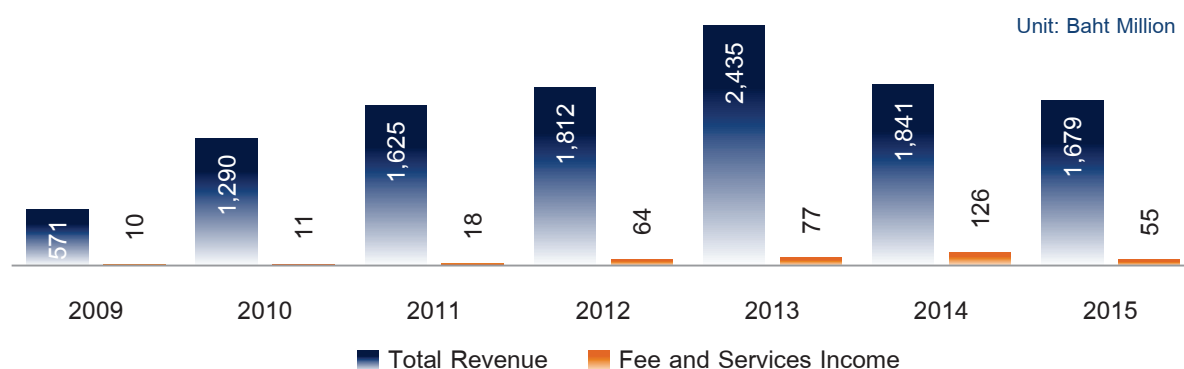
In 2015, listed companies on SET and mai raised funds through equity worth Baht 263 Billion, increased by 1.3 percent from the previous year, of which Baht 131 billion was raised in the primary market by 33 listed companies, 2 infrastructure funds, and 6 leasehold real estate

investment trusts. The Fundraising via the secondary market was Baht 132 billion.

Currently, the Company provides financial advisory and underwriting services. The Investment Banking Department consists of team members having experience and expertise in both

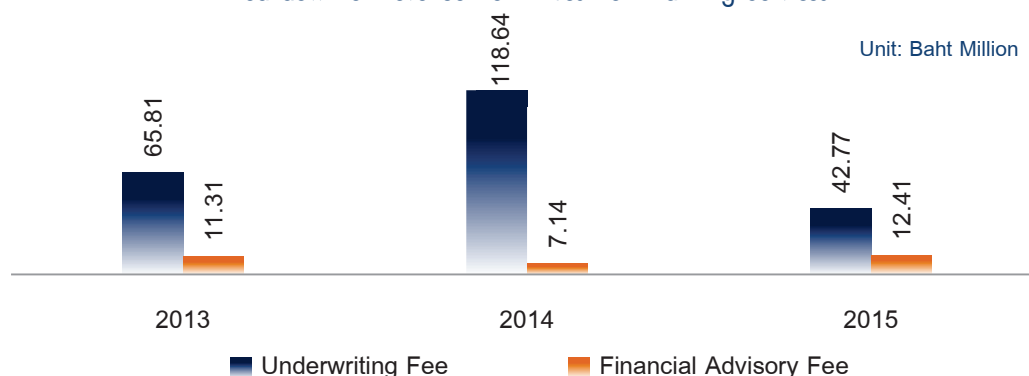
domestic and international money and equity markets. The Company was granted a license to provide financial advisory services on September 30<sup>th</sup>, 2002 by SEC, and was also granted a license to provide underwriting services by MOF.

Fees Income from Investment Banking Business and Total Revenue of the Company



### Breakdown of Revenue from Investment Banking Services\*

Unit: Baht Million



Remark: \*Consolidated Financial Statement

In 2013, the Company and its Subsidiary received revenue from investment banking services at the amount of Baht 77.12 million while the Company's revenue from investment banking services stood at Baht 77.12 million, equivalent to 3.17 percent and 3.25 percent of the total revenue.

In 2014, the Company and its Subsidiary received revenue from investment banking services at the amount of Baht 125.78 million while the Company's revenue from investment banking services stood at Baht 125.78 million, equivalent to 6.83 percent and 6.77 percent of the total revenue.

In 2015, the Company and its Subsidiary received revenue from investment banking services at the amount of Baht 55.18 million while the Company's revenue from investment banking services stood at Baht 55.18 million, equivalent to 3.29 percent and 3.22 percent of the total revenue.

In addition to the financial advisory service for securities issuance and offering and underwriting service, the Company also provides the following advisory services:

- Mergers and Acquisition
- Financial Restructuring
- Feasibility Study
- Business Valuation
- Other transactions that are in accordance with the rules and regulations of SEC and SET; for example, delisting of company, asset acquisition/disposition or connected transaction.

Financial advisory services in 2015 are as below:

Company	Details of Service
Asefa PCL.	Financial Advisory : Initial Public Offering (IPO)
T.A.C. Consumer PCL.	Financial Advisory : Initial Public Offering (IPO)

The details of the underwriting services in 2015 are as follows:

 <b>T.A.C. Consumer Plc.</b> Initial Public Offering Baht 483.84 million <b>FA &amp; Lead Underwriter</b>  December 2015	 <b>Asefa Plc.</b> Initial Public Offering Baht 555.00 million <b>FA &amp; Lead Underwriter</b>  August 2015	 <b>TV Thunder Plc.</b> Initial Public Offering Baht 400.00 million <b>Lead Underwriter</b>  May 2015
--	--	---

Company	Details of Services
TV THUNDER PCL.	Lead Underwriter of the IPO shares
ASEFA PCL.	Lead Underwriter of the IPO shares
T.A.C. CONSUMER PCL.	Lead Underwriter of the IPO shares
S 11 GROUP PCL.	Underwriter of the IPO shares
THE PLATINUM GROUP PCL.	Underwriter of the IPO shares
GLOBAL POWER SYNERGY PCL.	Underwriter of the IPO shares
HOME POTTERY PCL.	Underwriter of the IPO shares
BANGKOK RANCH PCL.	Underwriter of the IPO shares
COM7 PCL.	Underwriter of the IPO shares
PIONEER MOTOR PCL.	Underwriter of the IPO shares
ATP30 PCL.	Underwriter of the IPO shares
MASTERKOOL INTERNATIONAL PCL.	Underwriter of the IPO shares
THAIFOODS GROUP PCL.	Underwriter of the IPO shares
LADPRAO GENERAL HOSPITAL PCL.	Underwriter of the IPO shares
JAS ASSET PCL.	Underwriter of the IPO shares
SIAMRAJ PCL.	Underwriter of the IPO shares
THANAPIRIYA PCL.	Underwriter of the IPO shares
TAOKAENOI FOOD & MARKETING PCL.	Underwriter of the IPO shares
STAR PETROLEUM REFINING PCL.	Underwriter of the IPO shares
AMATA VN PCL.	Underwriter of the IPO shares

Apart from the Underwriting fee and Advisory fee that the Company would receive, the financial advisory service and underwriting service would also support the Brokerage business of the Company in a way to provide the clients with the IPO shares allocation.

## OTHER BUSINESSES

“For FSS, our mission to **“Provide comprehensive Products & Services”** is the driving strategy behind our policies.”

**Mrs. Pornpring Suksantisuwan**

Director



### Other Businesses Team

1. **Mrs. Jareerat Fuengfuskul**  
SEVP, Wealth Management Department
2. **Mr. Surachet Khomphaiboonkij**  
EVP, Derivatives and Product Development Department
3. **Mr. Kosin Juasiripukdee**  
SVP, Global Trading Department

## Future Exchange

The Company was granted with the futures brokerage license from SEC on October 14<sup>th</sup>, 2005 and the Company has been qualified to be a member of Thailand Futures Exchange Plc. (“TFEX”) and Thailand Clearing House Co., Ltd. (“TCH”) where the Company started providing futures brokerage services on March 17<sup>th</sup>, 2008.

The Company plans to expand this service to equity clients as they understand investments. For prospect clients, the Company aims to market this service with strong financial status with good knowledge of the securities and futures trading. The Company also plans to provide the knowledge of investment strategy, return and risk associated to the



investment to the clients as well as the benefit of derivatives for both investment and risk hedging.

Moreover, in July 2015, the Company commenced activities in Single Stock Futures through block trades which to increase its liquidity. The Company expected to be able to handle the increase of transactions and would increase source of income of the Company as the trading volume of TFEX continues growing each year especially Single Stock Futures.

In 2015, the Company had 4,029 futures trading accounts with the total volume of 2,140,526 contracts. The revenue from futures contract brokerage fee stood at Baht 72.82 million. There is no account opened with the Company's Subsidiary.

In 2014, the Company had 4,064 futures trading accounts with the total volume of 2,284,953 contracts. The revenue from futures contract brokerage fee stood at Baht 79.92 million. There is no account opened with the Company's Subsidiary.

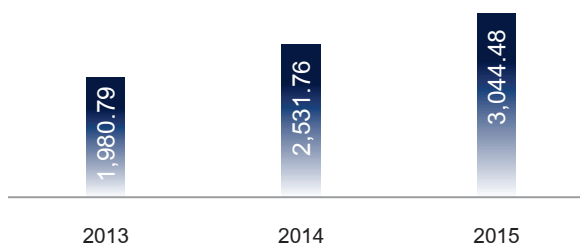
In 2013, the Company had 3,864 futures trading accounts with the total volume of 963,491 contracts. The revenue from futures contract brokerage fee stood at Baht 122.46 million. There is no account opened with the Company's Subsidiary.

## Selling Agent Business

Selling Agent Service is another service provided by the Company to offer a one-stop-service i.e. clients are more convenience to buy, sell, and switch all types of mutual funds for all asset management companies in which the Company acts as an agent. As the Company provides the comparison information and the summary of all funds within one statement incurred the efficiency of mutual

Net Assets Value (MB)

Unit: Baht Million

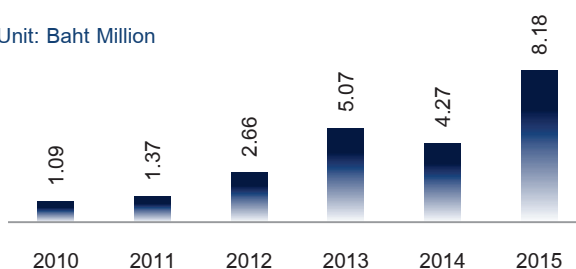


fund investment for clients. As at the end of 2015, the Company was the selling agent for 18 Asset Management Companies.

In 2015, the net assets value was Baht 3,044.48 million, increased by Baht 512.72 million from 2014, equivalent to 20.52 percent. The Company planned to continue improving services by increasing more types of mutual fund products for the convenience of the clients.

Income from Selling Agent Business

Unit: Baht Million



## Stock Borrowing and Lending Business

The Company was granted the approval to offer SBL services by MOF on August 25<sup>th</sup>, 2010 and has started this business since September 16<sup>th</sup>, 2010.

The Company acts as a party for lender and borrower and facilitates the clients desiring to lend or borrow the securities to proceed according to the objectives. These transactions provide more options for the investors to invest in fluctuated market conditions. The summarized details of the transactions are as follows:

1. The Company lends securities to the clients for short selling of securities in SET100 and ETF as allowed by SET. The short selling could be done through cash or credit balance accounts.

2. On July 20<sup>th</sup>, 2015 the Company provided SMART ACCESS in which clients shall lend and borrow securities via Internet.

3. The lender shall have the rights and gets benefit from lending securities.

In 2015, the Company received SBL fees in the amount of Baht 0.88 million, equivalent to 0.05 percent of the total revenue.

In 2014, the Company received SBL fees in the amount of Baht 1.86 million, equivalent to 0.10 percent of the total revenue.

In 2013, the Company received SBL fees in the amount of Baht 2.43 million, equivalent to 0.10 percent of the total revenue.

## Bond Trading

Presently, the Company is a dealer member of the Thai Bond Market Association and the Thailand Bond Exchange where the Company provides the bond dealing service to bond investors having bond

trading account opened together with securities trading account.

In 2015, the Company started being a dealer of debt securities/debenture bond and selling agent in Thai Bond Market by offering One Stop Service to clients.

## SECURITIES TRADING

The Company has a proprietary trading department who is responsible for the investment in equity, bond instrument, mutual fund and other private companies under the strict regulation with the objective of short-term trading and long-term investment. The Company's Board of Directors decided on clear limit allocation, criteria, procedure and investment policy for the Company to benefit from profit from trading, dividend and interest. The Company also had the Investment Committee approved by the Board of Directors to be responsible for planning strategies and investment policies for both short-term and long-term investment by diversifying risk with appropriate proportion and under loss limit. The Committee reported investment conditions to the Board of Directors to follow up the Company's investment conditions for the more efficient results.

# FINANSIA SYRUS'S SUSTAINABILITY DEVELOPMENT

Sharing good things with and paying back to society is one of the objectives of Finansia Syrus Securities Public Company Limited. The Company is aware of the importance of integrating the fundamentals to motivate the country's human resource development in order to improve the people's quality of life and enable the country's development in a continued and sustainable manner. In the past year, the activities that demonstrate the Company's social responsibility have been:

## A Project to Provide Lunch for the Orphans and Underprivileged Children of Sa Kaeo Temple in Ang Thong Province

The activities involved providing consumer goods and lunch for the orphans and underprivileged



children under the care of Sa Kaeo Temple in Ang Thong Province, with the aim of giving all of them

the chance to have a better quality of life. Not only did this Project allow the Company to share good things with society, which has been its common practice throughout these years, but it was also considered to be a continuation of its "CSR Project for Organizing Activities for Society," where all employees work as volunteers and devote themselves to organizing the Company's activities for society. These activities took place on November 28<sup>th</sup>, 2015.

## A Project to Donate Learning Equipment and, also, Blankets to Protect People from Cold Weather

The project for donating blankets to those who endure cold weather and learning equipment for children in remote areas has been in place for a long



time because the Company is aware that, each year, a great number of Thais in the

countryside have to suffer cold weather and are without learning equipment. This year, from December 5<sup>th</sup> to 6<sup>th</sup>, 2015, Finansia Syrus Securities Public Company Limited made donations to the Pa Mai Phaen Mai (New Plan Forest) Village Project in Ban Na Siri Village, Chiang Dao District, Chiang Mai Province.

## A Project for Sharing Books with Little Brothers and Sisters—Donating Books to Libraries That Are Short of Books across the Country



The Project for Sharing Books with Little Brothers and Sisters

originated with the Company's campaign to encourage its employees to donate children books, particularly useful books, to the Centre for Receiving Donated Books at the Satang Mongkolsuk Library at Mahidol University. The aim was to promote and support opportunities for children in remote areas to develop their reading skills and to disseminate knowledge and educational media to local communities. The book donation took place on December 17<sup>th</sup>, 2015, at the Centre for Receiving Donated Books at the Satang Mongkolsuk Library, Mahidol University.

As well as sharing good things with and paying back to society, the Company also promotes different kinds of sport; for example, a badminton tournament for the Royal Trophy, the "Broker Badminton Championship 2015"; a table tennis tournament, the "SET-Broker Table Tennis

Championship 2015”; and a football tournament for the Princess Maha Chakri Sirindhorn Cup, the “Singha Broker Cup 2015.” These sports activities are designed to strengthen relationships and promote unity among the personnel in the organization and to cement their relationship with those personnel of the member companies, the Association of Thai Securities

Company; the member companies of Future Industry Club, the Office of the Securities and Exchange Commission of Thailand; the Stock Exchange of Thailand; The Agricultural Futures Trading, Thai Listed Companies Association, the Thai Bond Market Association; the Reporters Club; and the Government Pension Fund.

# REPORT OF THE BOARD OF DIRECTORS'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Board of Directors of Finansia Syrus Securities Public Company Limited is responsible for the financial statements of the Company and subsidiaries which have been prepared in accordance with generally accepted accounting standards in Thailand. The policies pursued are deemed appropriate and applied consistently with adequate of important information in the notes to the financial statements.

The Board has appointed an Audit Committee comprising three independent members to provide effective oversight of finances and the internal control system to ensure that accounting records are accurate, adequately and timely, to prevent fraud and materially irregular operations. The views of the Audit Committee are reported in the Committee's report in this annual report.

The Board is confident that the internal control system of Finansia Syrus Securities Public Company Limited and subsidiaries presents the financial position, results, operations and cash flow accurately.



Chatchaval Jiaravanon

Chairman of the Board of Directors



# REPORT OF AUDIT COMMITTEE

## Composition of the Audit Committee

The Audit Committee of Finansia Syrus Securities Public Company Limited is comprised of three independent directors. The Company's senior executive vice president of Internal Audit and Compliance served as ex-officio members.

## Audit Committee's Principal Responsibilities

The Audit Committee is empowered by the Board of Directors to examine all matters relating to the financial status of the Company, and its internal and external audits. The Committee pursues and promotes good corporate governance by actively creating awareness and providing advice to management on appropriate internal control practices, and other related activities of the Company in compliance with the rules and regulations of the Stock Exchange of Thailand.

The Audit Committee met independently with the management and the internal and external auditors of the Company, conducted reviews and evaluations of accounting policies, the procedures relative to the accounting policies, the internal control assessment, and the audit plan. The Audit Committee also verified and accepted the consolidated financial statements for every quarter-end and provided assessments and recommendations to the Board of Directors. Where weaknesses were identified in internal controls, corrective and preventive action plans were timely established to eliminate or mitigate impact of the associated risks. The Board of Directors, following the review and recommendations of the Audit Committee, approved the policy and reports for related party transactions.

The Internal Audit and Compliance of the Company serves to identify internal control weaknesses within the Company by carrying out systematic audit activities focusing on operations and compliance of the Company. The results of each internal audit report were submitted to the Audit Committee regularly.

The Internal Audit and Compliance of the Company serves as a facilitator and change management agent to improve Company's good governance and compliance through internal audit processes, post-audit follow up and fraud prevention recommendations to business entities and work closely with each of business units to support compliance with the existing Code of Conduct and to foster overall Corporate Good Governance.

## The Audit Committee's Principal Activities during the Year

In 2015, the Committee's principal activities including the following matters:

1. Approved quarterly financial statement and reviewed full year financial statements, and provided assessments and recommendations to the Board of Directors.
2. Reviewed the updated Internal Audit to be in line with business expansion, and proposed for the Board Approval.

3. Reviewed and approved Internal Audit plan including reviews the results of internal audit reports and their agreed improvement actions.

**The Audit Committee Provided the Following Opinions:**

1. The Company's 2015 financial reports are accurate, complete and reliable.
2. The Company complied with the securities law, the Exchange's regulations, and other laws relating to the Company's business.
3. The Company's Internal Audit and Compliance Department performed its duty appropriately and effectively.
4. EY Office Limited, the Company's auditor, is suitable and provided appropriate services.
5. The related transactions arising in 2015 were rational and contributed optimal benefits of the Company.
6. For the year 2015, the Audit Committee held 14 meetings to review the Company's consolidated financial statements that had been certified by the external auditor and internal audit results and corrective actions. The attendance of meetings by each committee member was as follows;

Full Name	No. of Attendances / Total meeting
1. Pol.Lt.Gen. Visanu Prasattongosoth	10/14
2. Mr. Phaiboon Siripanoosatie	13/14
3. Mr. Kittisak Bencharit	13/14

7. The Audit Committee performed its duties in accordance with its Charter that was approved by the Board of Directors.

The Audit Committee has recommended to the Board of Directors that EY Office Limited, be re-appointed as the Company's auditor for the financial year ending 31 December 2016. The re-appointment of the audit firm and acceptance of its fees will be subjected to the approval of the shareholders at the Annual General Meeting to be held on April 27<sup>th</sup>, 2016.



Pol. Lt. Gen. Visanu Prasattongosoth  
Chairman of the Audit Committee

# INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Finansia Syrus Securities Public Company Limited

I have audited the accompanying consolidated financial statements of Finansia Syrus Securities Public Company Limited and its subsidiary, which comprise the consolidated statement of financial position as at 31 December 2015, and the consolidated statements of comprehensive income, changes in owners' equity and cash flows for the year then ended, together with a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of Finansia Syrus Securities Public Company Limited for the same period.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Finansia Syrus Securities Public Company Limited and its subsidiary and of Finansia Syrus Securities Public Company Limited as at 31 December 2015, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Rachada Yongsawadvanich

Certified Public Accountant (Thailand) No. 4951

EY Office Limited

Bangkok: 18 February 2016

Finansia Syrus Securities Public Company Limited and its subsidiary

Statements of financial position

As at 31 December 2015 and 2014

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 December 2015	31 December 2014	31 December 2015	31 December 2014
<b>Assets</b>					
Cash and cash equivalents	6, 29.3	383,752,048	996,057,329	370,679,251	991,384,883
Deposits at financial institutions	7, 29.3	-	-	-	-
Receivables from Clearing House	8	503,066,359	60,634,972	503,066,359	60,634,972
Securities and derivatives business receivables - net	9	2,033,956,628	2,468,618,056	2,033,956,628	2,468,618,056
Investments - net	10	446,088,934	14,611,286	446,088,934	14,611,286
Investments in a subsidiary, an associate and a jointly - controlled entity	11	394,744,098	302,011,174	438,162,291	317,660,193
Equipment - net	12	71,465,295	108,915,431	71,465,295	108,915,431
Intangible assets - net	13	38,498,605	36,398,608	38,498,605	36,398,608
Deferred tax assets	14	16,678,960	13,643,099	15,350,829	13,643,099
Other assets - net	15, 29.3	121,287,169	137,256,327	122,234,087	136,821,861
<b>Total assets</b>		<b>4,009,538,096</b>	<b>4,138,146,282</b>	<b>4,039,502,279</b>	<b>4,148,688,389</b>
<b>Liabilities and owners' equity</b>					
<b>Liabilities</b>					
Payables to Clearing House	16	184,820,673	412,402,849	184,820,673	412,402,849
Securities and derivatives business payables	17	1,190,385,531	1,148,126,080	1,190,385,531	1,148,126,080
Provisions for employee benefits	18	47,268,934	44,175,570	44,998,665	42,269,853
Accrued expenses	29.3	182,760,418	239,219,977	182,475,119	238,642,365
Income tax payable		23,403,142	59,112,201	23,403,142	59,112,201
Other payables	19	1,639,781	1,800,842	1,639,781	1,800,842
Other liabilities	20	33,310,101	36,796,573	32,663,452	36,212,313
<b>Total liabilities</b>		<b>1,663,588,580</b>	<b>1,941,634,092</b>	<b>1,660,386,363</b>	<b>1,938,566,503</b>

The accompanying notes are an integral part of the financial statements.



Finansia Syrus Securities Public Company Limited and its subsidiary

Statements of financial position (continued)

As at 31 December 2014 and 2013

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
<b>Owners' equity</b>					
Share capital					
Registered share capital					
581,403,025 ordinary shares of Baht 1.60 each					
(31 December 2014: 550,055,813 ordinary shares					
of Baht 1.60 each)	21	930,244,841	880,089,301	930,244,841	880,089,301
Issued and paid-up share capital					
581,403,025 ordinary shares of Baht 1.60 each					
(31 December 2014: 550,055,032 ordinary shares					
of Baht 1.60 each)	21	930,244,841	880,088,052	930,244,841	880,088,052
Share premium	11.1	620,892,884	571,049,573	620,892,884	571,049,573
Capital reserve for share-based payment transactions		322,946	322,946	322,946	322,946
Deficit as a result of change in holding percentage					
in a subsidiary		(251,580)	-	-	-
Retained earnings					
Appropriated - statutory reserve	22	60,818,183	52,693,019	60,818,183	52,693,019
Unappropriated		728,239,547	692,026,670	766,837,062	705,968,296
Other component of owners' equity					
Exchange differences on translation of financial					
statements in foreign currency		5,341,520	127,794	-	-
Equity attributable to equity holders of the Company		2,345,608,341	2,196,308,054	2,379,115,916	2,210,121,886
Non-controlling interests of the subsidiary		341,175	204,136	-	-
<b>Total owners' equity</b>		<b>2,345,949,516</b>	<b>2,196,512,190</b>	<b>2,379,115,916</b>	<b>2,210,121,886</b>
<b>Total liabilities and owners' equity</b>		<b>4,009,538,096</b>	<b>4,138,146,282</b>	<b>4,039,502,279</b>	<b>4,148,688,389</b>

The accompanying notes are an integral part of the financial statements.

Statements of comprehensive income

For the years ended 31 December 2015 and 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
<b>Profit or loss:</b>					
<b>Revenues</b>					
Brokerage fees	23, 29.2	1,414,617,239	1,472,663,400	1,414,617,239	1,472,663,400
Fees and services income	24, 29.2	62,650,179	140,926,713	62,650,179	140,926,713
Gains on investments		95,571,279	100,164,346	95,571,279	100,164,346
Gains (losses) on derivatives		5,109,681	(37,602)	5,109,681	(37,602)
Share of losses from investments in an associate and a jointly-controlled entity under equity method	11.2	(29,318,280)	(13,077,112)	-	-
Interest and dividend income	29.2	64,915,778	74,344,214	64,915,778	74,344,214
Interest income on margin loans		57,873,687	56,075,928	57,873,687	56,075,928
Other income	29.2	7,606,214	9,800,085	11,206,214	13,100,085
<b>Total revenues</b>		<b>1,679,025,777</b>	<b>1,840,859,972</b>	<b>1,711,944,057</b>	<b>1,857,237,084</b>
<b>Expenses</b>					
Finance costs		30,788,994	34,993,581	30,788,994	34,993,581
Fees and service expenses		136,626,738	131,957,242	136,571,738	131,888,392
Operating expenses					
Personnel expenses		943,875,436	958,035,010	910,639,715	931,799,683
Premises and equipment expenses	29.2	238,937,420	257,102,905	238,410,395	256,634,828
Directors' remuneration		8,280,000	10,220,000	8,280,000	10,220,000
Other expenses	29.2	136,409,848	147,759,560	176,173,774	176,930,139
Reversal of allowance for doubtful accounts		(240,000)	(778,974)	(240,000)	(778,974)
Impairment loss on investment		-	359,042	-	359,042
<b>Total expenses</b>		<b>1,494,678,436</b>	<b>1,539,648,366</b>	<b>1,500,624,616</b>	<b>1,542,046,691</b>
<b>Profits before income tax expenses</b>		<b>184,347,341</b>	<b>301,211,606</b>	<b>211,319,441</b>	<b>315,190,393</b>
Income tax expenses	14.2	(46,614,486)	(71,510,744)	(48,816,156)	(71,510,744)
<b>Profits for the years</b>		<b>137,732,855</b>	<b>229,700,862</b>	<b>162,503,285</b>	<b>243,679,649</b>
<b>Other comprehensive income (loss):</b>	26				
Items to be recognised in profit or loss in subsequent periods:					
Exchange gains on translations of financial statements in foreign currency - net of income taxes		5,213,726	127,794	-	-
Total items to be recognised in profit or loss in subsequent periods		5,213,726	127,794	-	-
Items not to be recognised in profit or loss in subsequent periods:					
Actuarial gains - net of income taxes		-	15,100,348	-	14,997,850
Total items not to be recognised in profit or loss in subsequent periods		-	15,100,348	-	14,997,850
<b>Other comprehensive income for the years</b>		<b>5,213,726</b>	<b>15,228,142</b>	<b>-</b>	<b>14,997,850</b>
<b>Total comprehensive income for the years</b>		<b>142,946,581</b>	<b>244,929,004</b>	<b>162,503,285</b>	<b>258,677,499</b>

The accompanying notes are an integral part of the financial statements.

Finansia Syrus Securities Public Company Limited and its subsidiary

Statements of comprehensive income (continued)

For the years ended 31 December 2015 and 2014

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
Profits (loss) for the years attributable to:					
Equity holders of the Company		137,847,396	229,791,120	162,503,285	243,679,649
Non-controlling interests of the subsidiary		(114,541)	(90,258)		
		137,732,855	229,700,862		
Total comprehensive income attributable to:					
Equity holders of the Company		143,061,122	245,009,002	162,503,285	258,677,499
Non-controlling interest of the subsidiary		(114,541)	(79,998)		
		142,946,581	244,929,004		
Earnings per share of equity holders of the Company:					
Basic earnings per share					
Profits for the years	27	0.25	0.42	0.30	0.44

The accompanying notes are an integral part of the financial statements.

Finansia Syrus Securities Public Company Limited and its subsidiary  
**Statements of changes in owners' equity**  
**For the years ended 31 December 2015 and 2014**

(Unit: Baht)

	Consolidated financial statements									
	Equity attributable to equity holders of the Company							Other component of owners' equity		
	Deficit as a result of change in holding percentage in a subsidiary			Retained earnings		Total equity attributable to equity holders of the Company	Non-controlling interest of the subsidiary	Total owners' equity		
Note	Issued share capital	Share premium	Capital reserve for share-based payment transactions	Shareholding percentage in a subsidiary	Appropriated - statutory reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency - net of income taxes			
<b>Balance as at 1 January 2014</b>	747,545,732	571,049,573	322,946	-	40,509,037	606,600,077	-	1,966,027,365	284,134	1,966,311,499
Profits (losses) for the year	-	-	-	-	-	229,791,120	-	229,791,120	(90,258)	229,700,862
Other comprehensive income for the year	-	-	-	-	-	15,090,088	127,794	15,217,882	10,260	15,228,142
Total comprehensive income (loss) for the year	-	-	-	-	-	244,881,208	127,794	245,009,002	(79,998)	244,929,004
Cash dividend paid	-	-	-	-	-	(14,728,313)	-	(14,728,313)	-	(14,728,313)
Stock dividend issued	132,542,320	-	-	-	-	(132,542,320)	-	-	-	-
Appropriated to statutory reserve	-	-	-	-	12,183,982	(12,183,982)	-	-	-	-
<b>Balance as at 31 December 2014</b>	880,088,052	571,049,573	322,946	-	52,693,019	692,026,670	127,794	2,196,308,054	204,136	2,196,512,190
<b>Balance as at 1 January 2015</b>	880,088,052	571,049,573	322,946	-	52,693,019	692,026,670	127,794	2,196,308,054	204,136	2,196,512,190
Profits (losses) for the year	-	-	-	-	-	137,847,396	-	137,847,396	(114,541)	137,732,855
Other comprehensive income for the year	-	-	-	-	-	-	5,213,726	5,213,726	-	5,213,726
Total comprehensive income (loss) for the year	-	-	-	-	-	137,847,396	5,213,726	143,061,122	(114,541)	142,946,581
Cash dividend paid	-	-	-	-	-	(93,509,355)	-	(93,509,355)	-	(93,509,355)
Investment in a subsidiary during the year	-	-	-	(251,580)	-	-	-	(251,580)	251,580	-
Issuance of additional ordinary shares to settle for investments in a jointly-controlled entity	50,156,789	49,843,311	-	-	-	-	-	100,000,100	-	100,000,100
Appropriated to statutory reserve	-	-	-	-	8,125,164	(8,125,164)	-	-	-	-
<b>Balance as at 31 December 2015</b>	930,244,841	620,892,884	322,946	(251,580)	60,818,183	728,239,547	5,341,520	2,345,608,341	341,175	2,345,949,516

The accompanying notes are an integral part of the financial statements.

Finansia Syrus Securities Public Company Limited and its subsidiary

Statements of changes in owners' equity (continued)

For the years ended 31 December 2015 and 2014

Separate financial statements								(Unit: Baht)
	Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings	Total		
					Appropriated - statutory reserve	Unappropriated	owners' equity	
<b>Balance as at 1 January 2014</b>		747,545,732	571,049,573	322,946	40,509,037	606,745,412	1,966,172,700	
Profits for the year		-	-	-	-	243,679,649	243,679,649	
Other comprehensive income for the year		-	-	-	-	14,997,850	14,997,850	
Total comprehensive income for the year		-	-	-	-	258,677,499	258,677,499	
Cash dividend paid	28.2	-	-	-	-	(14,728,313)	(14,728,313)	
Stock dividend issued	21, 28.1	132,542,320	-	-	-	(132,542,320)	-	
Appropriated to statutory reserve	22	-	-	-	12,183,982	(12,183,982)	-	
<b>Balance as at 31 December 2014</b>		880,088,052	571,049,573	322,946	52,693,019	705,968,296	2,210,121,886	
<b>Balance as at 1 January 2015</b>		880,088,052	571,049,573	322,946	52,693,019	705,968,296	2,210,121,886	
Profits for the year		-	-	-	-	162,503,285	162,503,285	
Other comprehensive income for the year		-	-	-	-	-	-	
Total comprehensive income for the year		-	-	-	-	162,503,285	162,503,285	
Cash dividend paid	28.2	-	-	-	-	(93,509,355)	(93,509,355)	
Issuance of additional ordinary shares to settle for investments in a jointly-controlled entity	11.1, 21	50,156,789	49,843,311	-	-	-	100,000,100	
Appropriated to statutory reserve	22	-	-	-	8,125,164	(8,125,164)	-	
<b>Balance as at 31 December 2015</b>		930,244,841	620,892,884	322,946	60,818,183	766,837,062	2,379,115,916	
							-	

The accompanying notes are an integral part of the financial statements.



Statements of cash flows

For the years ended 31 December 2015 and 2014

(Unit: Baht)

		Separate financial statements			
	Note	2015	2014	2015	2014
<b>Cash flows from operating activities</b>					
Profits before income tax expenses		184,347,341	301,211,606	211,319,441	315,190,393
Adjustments to reconcile profits before income tax expenses					
to net cash provided by (paid for) operating activities:					
Depreciation and amortisation		60,466,985	71,635,662	60,466,985	71,635,662
Reversal of allowance for doubtful accounts		(240,000)	(778,974)	(240,000)	(778,974)
Loss on disposals/write-off of equipment and intangible assets		2,048,840	2,077,302	2,048,840	2,077,302
Share of losses from investments in an associate					
and a jointly-controlled entity under equity method	11.2	29,318,280	13,077,112	-	-
Losses on revaluation of investments		1,198,280	258,034	1,198,280	258,034
Unrealised gains from derivative securities revaluation		(3,969,218)	-	(3,969,218)	-
Impairment loss on investments		-	359,042	-	359,042
Provisions for employee benefits		7,203,364	10,842,202	6,838,812	10,277,865
Interest and dividend income		(64,915,778)	(74,344,214)	(64,915,778)	(74,344,214)
Interest income on margin loans		(57,873,687)	(56,075,928)	(57,873,687)	(56,075,928)
Finance costs		30,565,571	34,835,822	30,565,571	34,835,822
Amortised interest expense on financial lease		223,424	157,759	223,424	157,759
Proceeds on interest and dividend income		133,282,572	124,800,323	133,282,572	124,800,323
Cash paid on interest expenses		(29,309,557)	(34,155,053)	(29,309,557)	(34,155,053)
Cash paid on income taxes		(87,528,946)	(64,738,794)	(86,232,946)	(63,748,794)
Profits from operating activities before changes					
in operating assets and liabilities		204,817,471	329,161,901	203,402,739	330,489,239
(Increase) decrease in operating assets					
Receivables from Clearing House		(438,462,169)	133,468,579	(438,462,169)	133,468,579
Securities and derivatives business receivables		436,124,314	(47,118,083)	436,124,314	(47,118,083)
Trading investments		(431,478,428)	32,684,128	(431,478,428)	32,684,128
Other assets		5,087,324	3,245,195	2,871,781	2,738,261
Increase (decrease) in operating liabilities					
Payables to Clearing House		(227,582,176)	321,555,774	(227,582,176)	321,555,774
Securities and derivatives business payables		41,061,951	(427,003,634)	41,061,951	(427,003,634)
Provisions for employee benefits		(4,110,000)	(1,092,000)	(4,110,000)	(1,092,000)
Accrued expenses		(55,732,818)	(23,373,346)	(55,440,505)	(23,839,558)
Other payables		(161,061)	(1,261,480)	(161,061)	(2,705,358)
Other liabilities		(3,817,569)	1,740,640	(3,879,958)	1,156,380
<b>Net cash provided by (used in) operating activities</b>		<b>(474,253,161)</b>	<b>322,007,674</b>	<b>(477,653,512)</b>	<b>320,333,728</b>

The accompanying notes are an integral part of the financial statements.

**Finansia Syrus Securities Public Company Limited and its subsidiary**
**Statements of cash flows (continued)**
**For the years ended 31 December 2015 and 2014**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
<b>Cash flows from investing activities</b>					
Cash paid for investments in an associate and					
a jointly-controlled entity		(15,501,998)	(314,960,493)	(15,501,998)	(314,960,493)
Cash paid for investment in a subsidiary		-	-	(5,000,000)	-
Proceeds on disposals of equipment		717,117	8,080,979	717,117	8,080,979
Cash paid for purchases of equipment		(11,482,054)	(22,632,401)	(11,482,054)	(22,632,401)
Cash paid for purchases of intangible assets		(17,127,490)	(12,311,395)	(17,127,490)	(12,311,395)
<b>Net cash used in investing activities</b>		<b>(43,394,425)</b>	<b>(341,823,310)</b>	<b>(48,394,425)</b>	<b>(341,823,310)</b>
<b>Cash flows from financing activities</b>					
Cash paid for liabilities under finance lease agreements		(1,148,340)	(7,202,274)	(1,148,340)	(7,202,274)
Dividends paid	28.2	(93,509,355)	(14,728,313)	(93,509,355)	(14,728,313)
<b>Net cash used in financing activities</b>		<b>(94,657,695)</b>	<b>(21,930,587)</b>	<b>(94,657,695)</b>	<b>(21,930,587)</b>
Net decrease in cash and cash equivalents		(612,305,281)	(41,746,223)	(620,705,632)	(43,420,169)
Cash and cash equivalents as at 1 January		996,057,329	1,037,803,552	991,384,883	1,034,805,052
<b>Cash and cash equivalents as at 31 December</b>		<b>383,752,048</b>	<b>996,057,329</b>	<b>370,679,251</b>	<b>991,384,883</b>
		-	-	-	-
<b>Supplemental cash flows information</b>					
Non-cash items:					
Purchases of equipment and intangible assets on credit		297,720	1,062,981	297,720	1,062,981
Purchases of vehicles under financial lease agreements		-	3,521,625	-	3,521,625
Issuance of stock dividend	28.1	-	132,542,330	-	132,542,330
Issuance of ordinary shares of the Company for					
settlement of investment in a jointly-controlled entity	11.1	100,000,100	-	100,000,100	-
Write-off bad debt		39,945	241,239	39,945	241,239

The accompanying notes are an integral part of the financial statements.

# **Finansia Syrus Securities Public Company Limited and its subsidiary**

## **Notes to financial statements**

**For the years ended 31 December 2015 and 2014**

### **1. Corporate information**

Finansia Syrus Securities Public Company Limited (“the Company”) is a publicly limited company incorporated under Thai laws and domiciled in Thailand whereby as at 31 December 2015, its major shareholders are Finansia Public Company Limited and Industrial and Commercial Bank of China (Thai) Public Company Limited, which hold shares in the Company at the rates of 29.29% and 22.29%, respectively, of the Company’s paid-up share capital. The Company’s registered address and head office are located at No. 999/9, 18th and 25th floors of The Offices at Centralworld, Rama 1 Road, Pathumwan Sub-district, Pathumwan District, Bangkok.

The Company has been operating its businesses in Thailand and undertaken business licenses as follows:

1. Securities brokerage
2. Securities trading
3. Investment advisory
4. Securities underwriting
5. Financial advisory
6. Derivatives brokerage
7. Securities borrowing and lending

As at 31 December 2015 and 2014, the Company has 35 branches and 35 branches, respectively.

### **2. Basis for preparation of financial statements**

#### **2.1 Basis for preparation of financial statements**

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and in conjunction with the Notifications of the Office of the Securities and Exchange Commission and the presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Office of the Securities and Exchange Commission relating to the format of the financial statements of securities companies No. Sor Thor/Kor/Nor. 53/2553 dated 15 December 2010.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in Note 4 to the financial statement regarding a summary of significant accounting policies.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from such financial statements in Thai language.

## 2.2 Basis of consolidation

- (a) These consolidated financial statements include the financial statements of the Company and the following subsidiary:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			31 December 2015	31 December 2014
			%	%
FSS International Investment Advisory Securities Company Limited	Advisory	Thailand	96.25	89.99

- (b) The Company is deemed to have control over an investee or a subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- (c) Subsidiary is fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- (d) The financial statements of the subsidiary are prepared using the same significant accounting policies as those of the Company.
- (e) Material balances and transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements.
- (f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiary that are not held by the Company and are presented separately in the consolidated profit or loss and within owners' equity in the consolidated statement of financial position.
- (g) The net assets in the financial statements of an overseas associate are translated into Baht using the exchange rate prevailing at the end of the reporting periods. Profit or loss of the associate is translated using a monthly average exchange rate. The resulting differences are shown under the caption of "Exchange differences on translations of financial statements in foreign currency" and presented as a part of other component of owners' equity in the statements of financial position.

## 2.3 Separate financial statements

The Company has prepared its separate financial statements, which present investments in a subsidiary, an associate and a jointly-controlled entity under the cost method.



### **3. New financial reporting standards**

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

#### **3.1 Financial reporting standards that became effective in the current year**

The Company and its subsidiary have adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015 onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiary's financial statements. However, some of these standards involve changes to key principles, which are summarised below:

##### **TAS 19 (revised 2014) Employee Benefits**

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the former standard allowed the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company and its subsidiary have always recognised actuarial gains and losses in other comprehensive income.

##### **TFRS 10 Consolidated Financial Statements**

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 Consolidated and Separate Financial Statements dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiary have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any impact on these consolidated financial statements.

## **TFRS 11 Joint Arrangements**

TFRS 11 supersedes TAS 31 Interests in Joint Ventures. This standard requires an entity investing in any other entity to determine whether the entity and other investors have joint control in the investment. When joint control exists, there is deemed to be a joint arrangement and the entity then needs to apply judgement to assess whether the joint arrangement is a joint operation or a joint venture and to account for the interest in the investment in a manner appropriate to the type of joint arrangement. If it is a joint operation, the entity is to recognise its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, in its separate financial statements. If it is a joint venture, the entity is to account for its investment in the joint venture using the equity method in the financial statements in which the equity method is applied or the consolidated financial statements (if any), and at cost in the separate financial statements

This standard does not have any impact on the financial statements since the Company has already applied the equity method to account for the investment in a jointly-controlled entity.

## **TFRS 12 Disclosure of Interests in Other Entities**

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact on the financial statements of the Company and its subsidiaries.

This standard does not have any impact on these financial statements.

## **TFRS 13 Fair Value Measurement**

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on these financial statements.

### **3.2 Financial reporting standard that will become effective in the future**

The Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016 onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's management believes that the revised and new financial reporting standards and accounting treatment guidance will not have any significant impact on the financial statements when they are initially applied.

## **4. Summary of significant accounting policies**

### **4.1 Revenue recognition**

(a) Brokerage fees

Brokerage fees on securities and derivatives trading are recognised as revenue on the transaction dates.

(b) Fees and service income

Fees and service income are recognised as revenue, taking into account the stage of completion, which is measured based on service performed to date as a percentage of total service to be performed. Revenue is recognised when it is probable that the amount will be collected.

(c) Gain (loss) on securities and derivatives

Gain (loss) on securities and derivatives are recognised as revenue or expense on the transaction dates.

(d) Interest and dividend on investments

Interest on investments is recognised as revenue as it accrues based on the effective rate method. Dividend from securities is recognised as revenue when the right to receive the dividend is established.

(e) Interest on margin loans

Interest income is recognised as it accrues based on the effective rate method, except that there is uncertainty as to the collectability of loans and interest, the Company ceases accrual.

The following cases are considered as uncertainty of collectability of loans and interest.

- (1) Receivables from general debtors, which are not fully collateralised.
- (2) Installment loans with repayments scheduled less frequently than every three months and for which principal or interest is overdue longer than three months.
- (3) Installment loans with repayments scheduled longer than every three months, unless there is clear evidence and a high degree of certainty that full repayment will be received.
- (4) Problem financial institutions.

- (5) Other receivables from which interest payment is overdue for three months or more.

These conditions are based on the guidelines stipulated by the Office of Securities and Exchange Commission (SEC).

#### **4.2 Expenses recognition**

- (a) Interest on borrowings

Interest on borrowings is charged as expense on an accrual basis.

- (b) Fees and service expenses

Fees and service expenses are recognised as expenses on an accrual basis.

#### **4.3 Recognition and derecognition of customers' assets**

Cash received from customers on their cash balance accounts, credit balance accounts and derivatives trading accounts are recorded as assets and liabilities of the Company for internal control purposes. At the end of the reporting period, the Company excludes these amounts from its both assets and liabilities and presents only those belong to the Company.

#### **4.4 Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand, all bank deposit accounts, including promissory notes, and term notes with an original maturity of less than 3 months, and not subject to withdrawal restrictions.

#### **4.5 Deposits with financial institutions**

Deposits with financial institutions include fixed deposits, bills of exchange, fixed deposit and promissory notes issued by financial institutions with an original maturity of longer than 3 months or those with an original maturity of 3 months or less, but the Company intends to hold them in the same form, or those subject to withdrawal restrictions.

#### **4.6 Receivables from/payables to Clearing House**

Receivables from Clearing House comprise the net receivable from Thailand Clearing House (TCH) for settlement of equity securities trading through the Stock Exchange of Thailand, and net receivables from TCH from derivatives trading, including cash collateral pledged with TCH for derivatives trading transactions and receivable from overseas securities companies in respect of overseas securities trades settle through those companies.

Payables to Clearing House comprise the net payable to Thailand Clearing House (TCH) for settlement of equity securities trading through the Stock Exchange of Thailand, and net payable for derivatives trading transactions and payable from overseas securities companies in respect of overseas securities trades settle through those companies.

#### **4.7 Securities borrowing and lending**

The Company records its obligations to return borrowed securities which it has been sold as short selling or lent as “Securities borrowing and lending payables” in the statements of financial position. At the end of the reporting periods, the balance of securities borrowing and lending payables are adjusted by the latest offer price quoted on the Stock Exchange of Thailand on the last working day of the reporting period. Gains or losses arising from such adjustment are recorded in profit or loss. Securities lent to customers are recorded as “Securities borrowing and lending receivables” in the statements of financial position. Cash paid or received as collateral for securities borrowing and lending is recorded as “Collateral receivables” or “Collateral payables”. Fees on securities borrowing and lending are recognised on an accrual basis.

#### **4.8 Securities and derivatives business receivables/payables**

Securities and derivatives business receivables are the balances of securities business receivables and derivatives business receivables and including accrued interest receivables after deducting allowance for doubtful accounts. Securities business receivables comprise receivables on cash accounts, credit balance receivables for which the securities purchased are used as collateral and other receivables (such as overdue in cash accounts and securities receivables which are subject to legal proceedings, are undergoing restructuring or are being settled in installments).

Securities and derivatives business payables are the obligations of the Company in respect of its securities and derivatives business with outside parties, such as the net payable balances of cash accounts, securities delivery obligations as a result of short sales.

#### **4.9 Allowance for doubtful accounts**

The Company has provided an allowance for doubtful accounts based on a review of each debtor’s repayment capability, taking into consideration the risk of recovery and the value of the collateral. An allowance will be set aside for doubtful accounts that their collaterals are not fully covered and/or debtors can not be recovered in full. Such debt classifications and allowances are made in accordance with the following criteria.

- (a) Debts classified as bad debts are defined as follows:
  - (1) Debts which the Company has made effort to follow up, but could not collect repayment. The Company has written them off in accordance with tax law.
  - (2) Debts on which the Company has forgiven.



- (b) Doubtful debt is defined as the uncollateralised portion of the debt which meets the following criteria:
- (1) Debtors in general, problem financial institutions, and other debtors which have the value of the underlying collateral less than the debts.
  - (2) Installment loans with repayments scheduled no longer than three months for each installment, which principal or interest is overdue by three months or more.
  - (3) Installment loans with repayments scheduled longer than three months for each installment, unless there is clear evidence and high degree of certainty that full is recovered.
- (c) Sub-standard debt is defined as the collateralised portion of debts, which meet the criteria in (b).

Bad debts will be written off when identified. Full allowance of the debt balance will be set aside for debts classified as doubtful. These conditions are complied with the guidelines stipulated by the Office of the Securities and Exchange Commission.

#### **4.10 Investments**

Trading investments are stated at fair value. Changes in the fair value of these investments are recorded in profit or loss.

The Company classifies investments in non-marketable equity securities as general investments, which are stated at cost net of allowance for impairment loss (if any).

The fair value of marketable securities is based on the latest bid price of the last working day of the reporting period. The fair value of investment units is determined based on their net asset value at the end of the reporting period.

Impairment loss (if any) is recognised in profit or loss.

In the event that the Company reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recognised in profit or loss or in other component of owners' equity depending on the type of investment that is reclassified.

Purchase and sales of investments are recorded on trade date. On disposal of an investment, the difference between net disposal proceeds and the cost of the investment is recognised as revenue or expense in profit or loss. The weighted average method is used for computation of the cost of investment.

#### **4.11 Investments in a subsidiary, an associate and a jointly-controlled entity**

##### **Consolidated financial statements**

Investments in an associate and a jointly-controlled entity are accounted for in the consolidated financial statements using the equity method.

##### **Separate financial statements**

Investments in a subsidiary, an associate and a jointly-controlled entity are stated in the separate financial statements at cost net of allowance for impairment loss (if any).

#### **4.12 Equipment and depreciation**

Equipment is stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation of equipment is calculated by reference to their cost on the straight-line method over the following estimated useful lives:

Office equipment	5 years
Furniture and fixtures	5 years
Motor vehicles	5 years

No depreciation is provided for equipment under installation.

Depreciation is included in profit or loss.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### **4.13 Intangible assets and amortisation**

Intangible assets are recognised at cost. Following the initial recognition, intangible assets are carried at cost less any accumulated amortisation and allowance for impairment (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful lives and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible assets with finite useful lives are amortised on a straight line method over the estimated period of their economic benefits as follows.

Computer softwares	5 years
Futures Exchange membership fee	10 years
Retail broking business acquisition cost	2 years

No amortisation is provided for computer softwares under development.

#### **4.14 Impairment of assets**

At the end of each reporting period, the Company and its subsidiary perform impairment reviews in respect of equipment and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised in profit or loss when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying value.

#### **4.15 Employee benefits**

##### **Short-term employee benefits**

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### **Post-employment benefits**

###### Defined contribution plan

The Company, the subsidiary and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiary. The fund's assets are held in a separate trust fund and contributions of the Company and its subsidiary are recognised as expenses when incurred.

###### Defined benefit plan

The Company and its subsidiary have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and its subsidiary treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from the defined benefit plan are recognised in other comprehensive income or loss and as a part of retained earnings.

#### **4.16 Provisions for liabilities**

Provisions for liabilities are recognised when the Company and its subsidiary have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### **4.17 Long-term leases**

Leases of equipment which transfer substantially all the risks and rewards of ownership to the Company and its subsidiary, as the leases, are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long-term payables, while the interest element is charged to profit or loss over the lease period. The equipment acquired under finance leases is depreciated over the lower of the useful life of the asset or lease periods.

Leases of equipment which do not transfer substantially all the risks and rewards of ownership to the Company and its subsidiary as the leases, are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

#### **4.18 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of each entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting periods.

Gains and losses on exchange are included in profit or loss.

#### **4.19 Income taxes**

Income tax expenses represent the sum of corporate income taxes currently payable and deferred income taxes.

##### **Current income taxes**

Current income taxes are provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

## **Deferred income taxes**

Deferred income taxes are provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiary recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses brought forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses brought forward can be utilised.

At each reporting date, the Company and its subsidiary review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

The Company and its subsidiary record deferred income taxes directly to owners' equity if the taxes relate to items that are recorded directly to owners' equity.

### **4.20 Related party transactions**

Related parties comprise enterprises and individuals that control, or are controlled by the Company and its subsidiary, whether directly or indirectly, or which are under common control with the Company and its subsidiary.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company and its subsidiary that give them significant influence over the Company and its subsidiary, key management personnel, directors and officers with authority in the planning and direction of the Company and its subsidiary's operations, together with closed family members of such persons and companies which are controlled or influenced by them, whether directly or indirectly.

### **4.21 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiary apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except in case where there is no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiary measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.



All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorisation of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiary determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## **5. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures, and actual results could differ from these estimates. Significant judgements and estimates are as follows:

### **5.1 Recognition and derecognition of assets and liabilities**

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgement on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

### **5.2 Fair value of financial instruments**

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (the Company and its subsidiary and their counterparties) liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these variables could affect the fair value recognised in the statements of financial position and reported in disclosures of fair value hierarchy.

### **5.3 Allowance for doubtful accounts on securities and derivatives business receivables**

Allowances for doubtful accounts on securities and derivatives business receivables are intended to adjust the values of receivables for probable credit losses. The management uses the SEC's regulations regarding the provision of allowance for doubtful accounts and judgement to establish reserves for estimated losses for each debtor when there is any doubt about the debtor's capability to repay the debt. The allowances for doubtful accounts are determined through a combination of specific reviews, probability of default and the value of the securities used as collateral.

### **5.4 Allowance for impairment on investments**

The Company and its subsidiary treat investments in equity securities as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement of the management.

### **5.5 Equipment and depreciation**

In determining depreciation of equipment, the management is required to make estimates of the useful lives and residual values of equipment and to review estimated useful lives and residual values when there are any changes.

In addition, the management is required to review equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than their carrying cost. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

### **5.6 Intangible assets**

The initial recognition and measurement of intangible assets and subsequent impairment testing require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

### **5.7 Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimated future taxable profits.

## 5.8 Provisions for employee benefits

Provisions for employee benefits are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary incremental rate, mortality rate and staff turnover rate.

## 5.9 Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether or not significant risk and rewards of ownership of the leased asset has been transferred to the Company and its subsidiary, taking into consideration terms and conditions of the arrangement.

## 5.10 Litigation

The Company and its subsidiary have contingent liabilities as a result of litigation whereby the management have used judgement to assess the outcome of the litigation cases. In case where the management believe that losses will not be incurred, no contingent liabilities will be recorded for such cases.

## 6. Cash and cash equivalents

	Consolidated financial		Separate financial	
	statements		statements	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Cash on hand	437,000	437,000	437,000	437,000
Deposits at banks				
Saving accounts	512,233,451	179,097,077	512,233,451	179,097,077
Current accounts	109,449,490	109,978,244	96,376,693	105,305,798
Fixed deposits and note receivables with an original maturity period of less than 3 months	703,000,000	2,653,000,000	703,000,000	2,653,000,000
Total cash and cash equivalents	1,325,119,941	2,942,512,321	1,312,047,144	2,937,839,875
Less: Deposits for customers' account	(941,367,893)	(1,946,454,992)	(941,367,893)	(1,946,454,992)
Cash and cash equivalents - net	383,752,048	996,057,329	370,679,251	991,384,883

## 7. Deposits at financial institutions

(Unit: Baht)

	Consolidated and separate financial statements	
	31 December 2015	31 December 2014
Fixed deposits with an original maturity period of longer than 3 months but less than 1 year	1,701,247,839	1,291,237,375
Less: Fixed deposits for customers' account	(1,701,247,839)	(1,291,237,375)
Deposits at financial institutions - net	-	-

## 8. Receivables from Clearing House

(Unit: Baht)

	Consolidated and separate financial statements	
	31 December 2015	31 December 2014
Receivables from Clearing House	528,925,450	80,689,770
Receivables from overseas securities companies	40,759,279	56,362,010
Total receivables from Clearing House	569,684,729	137,051,780
Less: Receivables from Clearing House for customers' account	(66,618,370)	(76,416,808)
Receivables from Clearing House - net	503,066,359	60,634,972

## 9. Securities and derivatives business receivables

(Unit: Baht)

	Consolidated and separate financial statements	
	31 December 2015	31 December 2014
<b>Securities business receivables</b>		
Cash accounts	764,559,004	1,571,196,578
Credit balance accounts	1,236,683,895	889,088,987
Securities borrowing and lending receivables		
Collateral receivables	12,766,053	-
Securities borrowing receivables	9,932,973	306,550
Other receivables	70,716,493	71,210,419
Total securities business receivables	2,094,658,418	2,531,802,534
Add: Accrued interest receivables	5,970,558	4,747,672
Less: Allowance for doubtful accounts	(70,149,426)	(70,429,371)
Securities business receivables - net	2,030,479,550	2,466,120,835
<b>Derivatives business receivables</b>		
Derivatives business receivables	3,477,078	2,497,221
Securities and derivatives business receivables - net	2,033,956,628	2,468,618,056

### 9.1 Non-accrued securities business receivables

As at 31 December 2015 and 2014, the Company has securities business receivables (included accrued interest receivables) of Baht 71 million and Baht 71 million, respectively, on which the Company has set aside allowances for doubtful accounts of Baht 70 million and Baht 70 million, respectively.

### 9.2 Classification of securities business receivables

As at 31 December 2015 and 2014, the Company has classified securities business receivables in accordance with the Office of the Securities and Exchange Commission's Notification regarding accounting for non-performing debts of securities companies as follows:

(Unit: Million Baht)

Consolidated and separate financial statements						
31 December 2015			31 December 2014			
Securities business receivables and accrued interest receivables	Allowance for doubtful accounts	Net securities business receivables after allowance for doubtful accounts	Securities business receivables and accrued interest receivables	Allowance for doubtful accounts	Net securities business receivables after allowance for doubtful accounts	
Pass	2,030	-	2,030	2,465	-	2,465
Sub-standard debts	1	-	1	1	-	1
Doubtful debts	70	(70)	-	70	(70)	-
Securities business receivables - net	2,101	(70)	2,031	2,536	(70)	2,466

### 9.3 Allowance for doubtful accounts

(Unit: Baht)

Consolidated and separate financial statements		
For the year ended 31 December		
	2015	2014
Balances - beginning of the years	70,429,371	71,449,584
Doubtful accounts	-	1,026
Reversal of allowance for doubtful accounts	(240,000)	(780,000)
Bad debts written off	(39,945)	(241,239)
Balances - end of the years	70,149,426	70,429,371



## 10. Investments

(Unit: Baht)

	Consolidated and separate financial statements			
	31 December 2015		31 December 2014	
	Cost	Fair value	Cost	Fair value
<b>Trading investments</b>				
Equity securities	43,224,300	41,262,400	3,893,872	3,949,918
Investment units	400,000,000	401,703,086	7,852,000	7,537,920
Total	443,224,300	442,965,486	11,745,872	11,487,838
Less: Revaluation allowance	(258,814)		(258,034)	
Trading investments - net	442,965,486		11,487,838	
<b>General investments</b>				
Equity securities	20,233,825		20,233,825	
Less: Allowance for impairment	(17,110,377)		(17,110,377)	
General investments - net	3,123,448		3,123,448	
Investments - net	446,088,934		14,611,286	

## 11. Investments in a subsidiary, an associate and a jointly-controlled entity

### 11.1 Details of investments in a subsidiary, an associate and a jointly-controlled entity

Investments in a subsidiary, an associate and a jointly-controlled entity as at 31 December 2015 and 2014 were as follows:

Company's name	Nature of business	Country of incorporation	Currency	Consolidated financial statements					
				Paid-up share capital		Percentage of shareholding		Investment value under equity method	
				31	31	31	31	31	31
				December	December	December	December	December	December
				2015	2014	2015	2014	2015	2014
				Thousand units	Thousand units	%	%	Thousand Baht	Thousand Baht
<b>Associate</b>									
SBI Royal Securities Plc.	Securities	Cambodia	Cambodian	63,960,000	56,040,000	20.01	19.49	99,648	79,252
			Riel (KHR)						
Investments in an associate								99,648	79,252
<b>Jointly-controlled entity</b>									
SBI Thai Online Co., Ltd.	Securities	Thailand	Baht	722,222	500,000	45.00	45.00	295,096	222,759
Investment in a jointly-controlled entity								295,096	222,759
Total investments in an associate and a jointly-controlled entity								394,744	302,011

	Separate financial statements								
				Paid-up share capital		Percentage of shareholding		Investment value under cost method	
				31	31	31	31	31	31
	Nature of business	Country of incorporation	Currency	December 2015	December 2014	December 2015	December 2014	December 2015	December 2014
Company's name				Thousand units	Thousand units	%	%	Thousand Baht	Thousand Baht
Subsidiary									
FSS International Investment Advisory Securities Co., Ltd.	Advisory	Thailand	Baht	8,000	3,000	96.25	89.99	7,700	2,700
Investment in a subsidiary								7,700	2,700
Associate									
SBI Royal Securities Plc.	Securities	Cambodia	Cambodian Riel (KHR)	63,960,000	56,040,000	20.01	19.49	105,462	89,960
Investments in an associate								105,462	89,960
Jointly-controlled entity									
SBI Thai Online Co., Ltd.	Securities	Thailand	Baht	722,222	500,000	45.00	45.00	325,000	225,000
Investment in a jointly-controlled entity								325,000	225,000
Total investments in a subsidiary, an associate and a jointly-controlled entity								438,162	317,660

On 27 March 2015, the Company paid Baht 15,501,998 for additional 47 ordinary shares of a par value of KHR 40,000,000 each in SBI Royal Securities Plc., which was incorporated under Cambodian laws. As at 31 December 2015, the Company has a total of 320 ordinary shares of such company or 20.01% of the issued and paid-up share capital of such company.

On 30 April 2015, the Company paid Baht 5,000,000 for additional 50,000 shares of a par value of Baht 100 each issued by its subsidiary. As at 31 December 2015, the Company has a total of 77,000 ordinary shares of its subsidiary or 96.25% of the issued and paid-up share capital of its subsidiary.

On 21 September 2015, SBI Thai Online Securities Company Limited, which is a jointly-controlled entity increased additional 1,222,222 ordinary shares with a pair value of Baht 100 each to existing shareholding, and the Company waived its right to subscribe the newly-issued shares of such jointly-controlled entity.

On 5 October 2015, such jointly-controlled entity increased another 1,000,000 ordinary shares with a par value of Baht 100 each to existing shareholders whereby the Company waived its right to subscribe the newly-issued shares of such jointly-controlled entity.

However, on 21 October 2015, the Extraordinary General Meeting of the Company's shareholders resolved to approve the purchase of 1,000,001 ordinary shares with a par value of 1 Baht each of SBI Thai Online Securities Company Limited from Finansa Securities Company Limited, which is subsidiary of a major shareholder of the Company and the Company issued its additional 31,347,993 ordinary shares with a par value of Baht 1.60 each or a total of Baht 50,156,789, through private offering, to Finansa Securities Company Limited. This resulted in the Company having a share premium of Baht 49,843,311. The Company already registered the increase in its paid-up share capital and received ordinary shares of SBI Thai Online Securities Company Limited on 2 November 2015.

## 11.2 Investments in an associate and a jointly-controlled entity

### 11.2.1 Share of profit or loss and dividend income

During the years ended 31 December 2015 and 2014, the Company recognised its share of loss from investments in an associate and a jointly-controlled entity in the consolidated financial statements and dividend as revenue in the separate financial statements as follows:

Company's name	Consolidated financial statements		Separate financial statements	
	Shares of losses from investments in an associate and a jointly-controlled entity for the years ended 31 December		Dividend received during the years ended 31 December	
	2015	2014	2015	2014
<b>Associate</b>				
SBI Royal Securities Plc.	1,655	10,836	-	-
<b>Jointly-controlled entity</b>				
SBI Thai Online Co., Ltd.	27,663	2,241	-	-
Total	29,318	13,077	-	-

During the years ended 31 December 2015 and 2014, the Company recognised shares of losses from the associate and the jointly-controlled entity based on financial information as prepared by their management, which have yet been audited by their auditors.

### 11.2.2 Summarised financial information about material joint ventures

#### Summarised information from statements of financial position

	(Unit: Million Baht)			
	Associate		Jointly-controlled entity	
	SBI Royal Securities Plc.		SBI Thai Online Co., Ltd.	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Cash and cash equivalents	320	237	413	495
Other current assets	16	8	49	1
Non-current assets	37	35	336	-
Current liabilities	(6)	(2)	(144)	-
Net assets	367	278	654	496
Shareholding percentage	20.01%	19.49%	45.00%	45.00%
The Company's equity interest in the investees' net assets	74	54	295	223
Goodwill	25	25	-	-
Total investment values	99	79	295	223
Carrying values of investments in an associate and a jointly-controlled entity (under equity method)	100	79	295	223

#### Summarised information from statements of comprehensive income (loss)

	(Unit: Million Baht)			
	Associate		Jointly-controlled entity	
	SBI Royal Securities Plc.		SBI Thai Online Co., Ltd.	
	For the years ended 31 December			
	2015	2014	2015	2014
Revenues	13	11	8	-
Losses for the years	(8)	(61)	(64)	(5)
Other comprehensive income				
for the years	-	-	-	-
Total comprehensive loss				
for the years	(8)	(61)	(64)	(5)

## 12. Equipment

(Unit: Baht)

	Consolidated and separate financial statements				
	Office equipment	Furniture and fixtures	Motor vehicles	Equipment under installation	Total
<b>Cost</b>					
1 January 2014	231,676,086	206,323,529	19,659,514	2,811,481	460,470,610
Additions	12,493,062	4,855,184	8,745,000	3,926,329	30,019,575
Disposals/write-off	(6,867,751)	(12,794,055)	(13,181,710)	-	(32,843,516)
Transfers in (out)	(81,553)	6,615,571	-	(6,534,018)	-
31 December 2014	237,219,844	205,000,229	15,222,804	203,792	457,646,669
Additions	5,105,684	2,532,566	-	3,117,063	10,755,313
Disposals/write-off	(4,331,922)	(10,380,262)	(642,000)	-	(15,354,184)
Transfers in (out)	50,048	2,332,507	-	(2,382,555)	-
31 December 2015	238,043,654	199,485,040	14,580,804	938,300	453,047,798
<b>Accumulated depreciation</b>					
1 January 2014	161,919,369	135,792,080	14,998,183	-	312,709,632
Depreciation for the year	27,420,740	28,244,154	3,041,946	-	58,706,840
Accumulated depreciation on disposals/write-off	(4,733,843)	(7,335,045)	(10,616,346)	-	(22,685,234)
31 December 2014	184,606,266	156,701,189	7,423,783	-	348,731,238
Depreciation for the year	23,040,623	21,103,500	1,797,369	-	45,941,492
Accumulated depreciation on disposals/write-off	(4,044,877)	(8,420,061)	(625,289)	-	(13,090,227)
31 December 2015	203,602,012	169,384,628	8,595,863	-	381,582,503
<b>Net book value</b>					
31 December 2014	52,613,578	48,299,040	7,799,021	203,792	108,915,431
31 December 2015	34,441,642	30,100,412	5,984,941	938,300	71,465,295
<b>Depreciation for the years ended</b>					
31 December 2014					58,706,840
31 December 2015					45,941,492

As at 31 December 2015 and 2014, certain equipment items have been fully depreciated but are still in use. The original costs, before deducting accumulated depreciation and allowance for impairment loss, of these assets amounted to approximately Baht 243 million and Baht 189 million, respectively.

As at 31 December 2015 and 2014, motor vehicles of the Company having net book value of Baht 6 million and Baht 8 million, respectively, were under finance lease agreements.

### 13. Intangible assets

(Unit: Baht)

	Consolidated and separate financial statements				
	Future Exchange membership fee	Retail brokerage business acquisition cost	Computer softwares	Computer softwares under development	Total
<b>Cost</b>					
1 January 2014	5,000,000	6,384,000	86,274,493	14,014,045	111,672,538
Additions	-	-	2,328,624	8,730,491	11,059,115
Transfers in (out)	-	-	13,690,107	(13,690,107)	-
31 December 2014	5,000,000	6,384,000	102,293,224	9,054,429	122,731,653
Additions	-	-	9,651,437	7,476,053	17,127,490
Write-off	-	-	-	(502,000)	(502,000)
Transfer in (out)	-	-	7,712,502	(7,712,502)	-
31 December 2015	5,000,000	6,384,000	119,657,163	8,315,980	139,357,143
<b>Accumulated amortisation</b>					
1 January 2014	2,914,300	6,384,000	64,105,923	-	73,404,223
Amortisation for the year	499,726	-	12,429,096	-	12,928,822
31 December 2014	3,414,026	6,384,000	76,535,019	-	86,333,045
Amortisation for the year	499,726	-	14,025,767	-	14,525,493
31 December 2015	3,913,752	6,384,000	90,560,786	-	100,858,538
<b>Net book value</b>					
31 December 2014	1,585,974	-	25,758,205	9,054,429	36,398,608
31 December 2015	1,086,248	-	29,096,377	8,315,980	38,498,605
<b>Amortisation for the years ended</b>					
31 December 2014					12,928,822
31 December 2015					14,525,493

As at 31 December 2015 and 2014, certain computer software items have been fully amortised but are still in use. The original costs, before deducting accumulated amortisation, of these assets amounted to Baht 75 million and Baht 48 million, respectively.



## 14. Deferred tax assets and income taxes

### 14.1 Deferred tax assets

Deferred tax assets consisted of tax effects on each type of the following temporary differences:

(Unit: Baht)

	Consolidated financial statements			
			Income tax revenue (expenses) reported in the statements of comprehensive income	
	31 December	31 December	For the years ended 31 December	
	2015	2014	2015	2014
<b>Deferred tax assets arose from:</b>				
Allowance for impairment loss on investments	3,422,075	3,422,075	-	71,808
Share of losses from investments in an associate	1,162,853	-	1,162,853 <sup>(2)</sup>	-
Provisions for long-term employee benefits	9,165,011	8,453,971	711,040	(2,201,065) <sup>(1)</sup>
Unrealised gain on revaluation of investments	(894,961)	-	(894,961)	-
Others	3,823,982	1,767,053	2,056,929	748,480
<b>Total deferred tax assets</b>	<b>16,678,960</b>	<b>13,643,099</b>	<b>3,035,861</b>	<b>(1,380,777)</b>
Recognised as income tax revenue (expenses):				
- In profit or loss			4,371,240	2,368,686
- In other comprehensive income or loss			(1,335,379)	-
- Directly against retained earnings			-	(3,749,463)
<b>Total</b>			<b>3,035,861</b>	<b>(1,380,777)</b>

<sup>(1)</sup> Included income tax expenses of Baht 3,749,463, which are related to actuarial gain recognised directly against retained earnings.

<sup>(2)</sup> Included income tax expenses of Baht 1,335,379, which are related to items recognized in other comprehensive income or loss

(Unit: Baht)

	Separate financial statements			
			Income tax revenue (expenses) reported in the statements of comprehensive income	
	31 December	31 December	For the years ended 31 December	
	2015	2014	2015	2014
<b>Deferred tax assets arose from:</b>				
Allowance for impairment loss on investments	3,422,075	3,422,075	-	71,808
Provisions for long-term employee benefits	8,999,733	8,453,971	545,762	(2,201,065) <sup>(1)</sup>
Unrealised gain on changes in value of investments	(894,961)	-	(894,961)	-
Others	3,823,982	1,767,053	2,056,929	748,480
<b>Total deferred tax assets</b>	<b>15,350,829</b>	<b>13,643,099</b>	<b>1,707,730</b>	<b>(1,380,777)</b>
Recognised as income tax revenue (expenses):				
- In profit or loss			1,707,730	2,368,686
- Directly against retained earnings			-	(3,749,463)
<b>Total</b>			<b>1,707,730</b>	<b>(1,380,777)</b>

<sup>(1)</sup> Included income tax expenses of Baht 3,749,463, which are related to actuarial gain recognised directly against retained earnings.

As at 31 December 2014, the subsidiary had the following deductible temporary differences and unused tax losses totaling Baht 917,368, which are not recognised for deferred tax assets because the subsidiary's management has assessed that the subsidiary might not have sufficient future taxable profit to utilise them.

## 14.2 Income taxes

Income tax expenses for the years ended 31 December 2015 and 2014 are made up as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2015	2014	2015	2014
<b>Current income taxes</b>				
Corporate income tax charge	(50,985,726)	(73,879,430)	(50,523,886)	(73,879,430)
<b>Deferred income taxes</b>				
Relating to origination and reversal of temporary differences	4,371,240	2,368,686	1,707,730	2,368,686
Income tax expenses reported in profit or loss	<u>(46,614,486)</u>	<u>(71,510,744)</u>	<u>(48,816,156)</u>	<u>(71,510,744)</u>

Reconciliations between income tax expenses and the product of accounting profits for the years ended 31 December 2015 and 2014 and the applicable tax rate are as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2015	2014	2015	2014
Accounting profits before income tax expenses	<u>184,347,341</u>	<u>301,211,606</u>	<u>211,319,441</u>	<u>315,190,393</u>
Applicable tax rates	20%	20%	20%	20%
Amounts of income taxes at the applicable tax rates	(36,869,468)	(60,242,321)	(42,263,888)	(63,038,079)
Net tax effects on:				
Revenue or expenses that are not taxable or not deductible in determining taxable profits	(5,866,586)	(8,658,998)	(5,855,783)	(8,566,630)
Temporary differences on which deferred tax assets are not recognised in prior years but recognised in current year	2,259,504	-	-	-
Unused tax losses on which deferred tax assets were not recognised but utilised in the current year	91,108	24,900	-	-
Shares of losses on investments in a jointly-controlled entity, on which deferred tax assets are not recognised	(5,532,559)	(2,615,422)	-	-
Others	<u>(696,485)</u>	<u>(18,903)</u>	<u>(696,485)</u>	<u>93,965</u>
Income tax expenses reported in profit or loss	<u>(46,614,486)</u>	<u>(71,510,744)</u>	<u>(48,816,156)</u>	<u>(71,510,744)</u>

## 15. Other assets

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Interest receivables	5,770,868	17,486,861	5,770,868	17,486,861
Prepaid expenses	17,123,355	18,790,455	16,874,395	18,778,644
Deposits	20,119,782	20,445,497	20,119,782	20,445,497
Contribution to the compensation fund for clearing and securities delivery system	60,563,782	53,402,163	60,563,782	53,402,163
Asset for protecting the clearing system	5,000,000	5,000,000	5,000,000	5,000,000
Fee receivables	3,380,922	11,905,166	3,380,922	11,905,166
Advances paid	3,373,015	3,260,325	3,373,015	3,260,325
Loans to employees	1,422,273	1,415,254	1,422,274	1,415,254
Other receivable - related party	2,618,862	-	5,638,934	567,345
Others	4,770,663	8,406,959	2,946,468	7,416,959
Total	124,143,522	140,112,680	125,090,440	139,678,214
Less: Allowance for doubtful accounts/ allowance for impairment	(2,856,353)	(2,856,353)	(2,856,353)	(2,856,353)
Other assets - net	121,287,169	137,256,327	122,234,087	136,821,861

As at 31 December 2015 and 2014, loans to employees are subject to interest at the rates between 3.40% to 3.72% per annum and between 3.72% to 4.20% per annum, respectively.

## 16. Payables to Clearing House

	(Unit: Baht)	
	Consolidated and separate financial statements	
	31 December 2015	31 December 2014
Payables to Clearing House	179,926,074	412,402,849
Payables to overseas securities companies	4,894,599	-
Total payables to Clearing House	184,820,673	412,402,849

## 17. Securities and derivatives business payables

(Unit: Baht)

	Consolidated and separate financial statements	
	31 December 2015	31 December 2014
<b>Securities business payables</b>		
Cash accounts payable	1,147,063,240	1,134,005,445
Collateral payables	12,766,053	12,060,137
Securities borrowing and lending payables	27,367,973	306,550
Total securities business payable	1,187,197,266	1,146,372,132
<b>Derivatives business payables</b>		
Derivatives business payables	3,188,265	1,753,948
Total securities and derivatives business payables	1,190,385,531	1,148,126,080

## 18. Provisions for employee benefits

Provisions for employee benefits under a defined benefit plan are as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended		For the years ended	
	31 December		31 December	
	2015	2014	2015	2014
Defined benefit obligation at the beginning				
of the years	44,175,570	53,275,179	42,269,853	53,275,179
Current service costs	6,062,080	8,998,760	5,754,699	8,485,743
Interest costs	1,141,284	1,843,442	1,084,113	1,792,122
Actuarial (gain) loss arising from:				
Demographic assumption changes	-	(15,322,562)	-	(15,220,064)
Financial assumption changes	-	3,771,904	-	3,771,904
Other changes	-	(7,299,153)	-	(7,299,153)
Employee benefits paid during the years	(4,110,000)	(1,092,000)	(4,110,000)	(1,092,000)
Decrease from the transfer of staff to subsidiary	-	-	-	(1,443,878)
Defined benefit obligation at the end				
of the years	47,268,934	44,175,570	44,998,665	42,269,853

Long-term employee benefits expenses included in the profit or loss were as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2015	2014	2015	2014
Current service cost	6,062,080	8,998,760	5,754,699	8,485,743
Interest cost	1,141,284	1,843,442	1,084,113	1,792,122
Total long-term employee benefit expenses	7,203,364	10,842,202	6,838,812	10,277,865

As at 31 December 2015, the Company and its subsidiary expect to pay Baht 0.11 million on long-term employee benefits over the next 1 year (the Company only: Baht 0.11 million).

As at 31 December 2015 and 2014, the Company's and its subsidiary's weighted average durations of the long-term employee benefit payments are 10 years and 10 years, respectively (the Company only: 10 years and 10 years, respectively).

Principal actuarial assumptions used in determining provisions for employee benefits were as follows:

	Consolidated and separate financial statements	
	31 December 2015	31 December 2014
	(% per annum)	(% per annum)
Discount rate	3.0	3.0
Future salary incremental rates	2.2 - 7.0	2.2 - 7.0
Employee turnover rates	0.0 - 33.0	0.0 - 33.0



The impacts of changes in significant assumptions that affect the present value of the defined benefit obligation (provisions for employee benefits) as at 31 December 2015 are summarised below:

	Consolidated financial statement			
	As at 31 December 2015			
	Provisions for employee benefits were		Provisions for employee benefits were	
	Increase in assumption	increased (decreased) by	Decrease in assumption	increased (decreased) by
	% per annum	Million Baht	% per annum	Million Baht
Discount rate	1.0	(2.9)	1.0	3.3
Future salary incremental rates	1.0	3.7	1.0	(3.3)
Employee turnover rates	20.0	(5.7)	20.0	7.2

	Separate financial statement			
	As at 31 December 2015			
	Provisions for employee benefits were		Provisions for employee benefits were	
	Increase in assumption	increased (decreased) by	Decrease in assumption	increased (decreased) by
	% per annum	Million Baht	% per annum	Million Baht
Discount rate	1.0	(2.7)	1.0	3.0
Future salary increase rates	1.0	3.4	1.0	(3.1)
Employee turnover rates	20.0	(5.2)	20.0	6.7

## 19. Other payables

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Other payable - CIMB Thai Bank Plc.	1,353,551	1,353,551	1,353,551	1,353,551
Other payable - related party	286,230	447,291	286,230	447,291
Total other payables	1,639,781	1,800,842	1,639,781	1,800,842

Other payable - CIMB Thai Bank Plc. is payable as a result of cash received from debtors under Loan Management Agency Agreement on behalf of the bank.

## 20. Other liabilities

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	31 December	31 December	31 December	31 December
	2015	2014	2015	2014
Withholding tax payable	12,203,078	10,972,619	11,806,062	10,582,703
Value added tax payable	6,656,030	8,884,918	6,406,397	8,697,632
Liabilities under finance lease agreements	2,703,259	3,628,175	2,703,259	3,628,175
Employee retention payables	2,912,366	4,072,324	2,912,366	4,072,324
Others	8,835,368	9,238,537	8,835,368	9,231,479
Total other liabilities	33,310,101	36,796,573	32,663,452	36,212,313

### 20.1 Liabilities under finance lease agreements

(Unit: Baht)

	Consolidated and separate financial statements	
	31 December 2015	31 December 2014
Liabilities under finance lease agreements	2,966,545	4,114,885
Less: Deferred interest expenses	(263,286)	(486,710)
Liabilities under finance lease agreements - net	2,703,259	3,628,175
Less: Current portion	(991,288)	(924,917)
Liabilities under finance lease agreements - net of current portion	1,711,971	2,703,258

The Company has entered into the finance lease agreements for lease of motor vehicles for use in its operation, whereby it is committed to pay fee on a monthly basis. The terms of the agreements are 4 years.

Future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Baht)

	Consolidated and separate financial statements		
	As at 31 December 2015		
	Less than 1 year	1 - 4 years	Total
Future minimum lease payments under the finance lease agreements	1,148,340	1,818,205	2,966,545
Less: Deferred interest expenses	(157,052)	(106,234)	(263,286)
Present value of future minimum lease payments under the finance lease agreements	991,288	1,711,971	2,703,259

(Unit: Baht)

	Consolidated and separate financial statements		
	As at 31 December 2014		
	Less than 1 year	1 - 4 years	Total
Future minimum lease payments under the finance lease agreements	1,148,340	2,966,545	4,114,885
Less: Deferred interest expenses	(223,423)	(263,287)	(486,710)
Present value of future minimum lease payments under the finance lease agreements	924,917	2,703,258	3,628,175

## 21. Share capital

Reconciliations of the Company's registered, issued and paid-up share capital for the years ended 31 December 2015 and 2014 are as follows:

	For the year ended 31 December 2015		For the year ended 31 December 2014	
	Number of shares	Amount (Baht)	Number of shares	Amount (Baht)
<b>Registered share capital:</b>				
Ordinary shares at beginning of the year	550,055,813	880,089,301	467,308,199	747,693,119
Registered the decrease in share capital	(781)	(1,249)	(92,117)	(147,388)
Registered the increase in share capital	31,347,993	50,156,789	82,839,731	132,543,570
Ordinary shares at end of the year	581,403,025	930,244,841	550,055,813	880,089,301
<b>Issued and paid-up share capital:</b>				
Ordinary shares at beginning of the year	550,055,032	880,088,052	467,216,082	747,545,732
Stock dividend issued (Note 28.1)	-	-	82,838,950	132,542,320
Issuance of ordinary shares in settlement of investments in a jointly-controlled entity (Note 11.1)	31,347,993	50,156,789	-	-
Ordinary shares at end of the year	581,403,025	930,244,841	550,055,032	880,088,052

## 22. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

## 23. Brokerage fees

	(Unit: Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2015	2014
Brokerage fees from securities business	1,333,620,725	1,388,473,347
Brokerage fees from derivatives business	72,819,218	79,919,257
Other brokerage fees	8,177,296	4,270,796
Total	1,414,617,239	1,472,663,400

## 24. Fees and services income

	(Unit: Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2015	2014
Underwriting fees	42,767,675	118,642,438
Financial advisory fees	12,410,000	7,140,000
Borrowing and lending fees	877,114	1,857,095
Research fees	6,000,000	11,000,000
Others	595,390	2,287,180
Total	62,650,179	140,926,713

## 25. Provident fund

The Company, its subsidiary and their employees have jointly established provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, its subsidiary and employees of each company contributed to the funds monthly at the rates of 5% to 10% of basic salary. The funds, which are managed by two asset management companies, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2015 and 2014 were recognised as expenses as follow:

(Unit: Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended		For the years ended	
	31 December		31 December	
	2015	2014	2015	2014
Contributions to provident funds	26,748,322	26,526,915	24,177,307	24,241,074

## 26. Components of other comprehensive income (loss)

Components of other comprehensive income (loss) for the years ended 31 December 2015 and 2014 comprised:

(Unit: Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended		For the years ended	
	31 December		31 December	
	2015	2014	2015	2014
(a) Items to be recognised in profit or loss in subsequent periods:				
Exchange gains on translations of financial statements in foreign currency	6,549,105	127,794	-	-
Less: Income taxes	(1,335,379)	-	-	-
Exchange gains on translations of financial statements in foreign currency - net of income taxes	5,213,726	127,794	-	-
(b) Items not to be recognised in profit or loss in subsequent periods:				
Actuarial gains	-	18,849,811	-	18,747,313
Less: Income taxes	-	(3,749,463)	-	(3,749,463)
Actuarial gains - net of income taxes	-	15,100,348	-	14,997,850
Other comprehensive income for the years	5,213,726	15,228,142	-	14,997,850

## 27. Earnings per share

Basic earnings per share for the year ended 31 December 2015 was calculated by dividing profit for the year (excluding other comprehensive income/loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

Basic earnings per share for the year ended 31 December 2014 was calculated by dividing profit for the year (excluding other comprehensive income/loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, after adjusting the number of additional shares issued as a result of the distribution of stock dividend on 21 May 2014 as if the stock dividend had been distributed at the beginning of the earliest period reported.

Consolidated financial statements					
For the years ended 31 December					
Profits for the years		Weighted average number of ordinary shares		Earnings per shares	
2015	2014	2015	2014	2015	2014
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
137,847	229,791	550,222	550,055	0.25	0.42

### Basic earnings per share

Profits for the years attributable to equity holders  
of the Company

Separate financial statements					
For the years ended 31 December					
Profits for the years		Weighted average number of ordinary shares		Earnings per shares	
2015	2014	2015	2014	2015	2014
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
162,503	243,680	550,222	550,055	0.30	0.44

### Basic earnings per share

Profits for the years attributable to equity holders  
of the Company



## 28. Stock and cash dividends

### 28.1 Stock dividend

On 22 April 2014, the Annual General Meeting of the Company's shareholders resolved to allocate Baht 880 million of the retained earnings as the Company's registered capital by issuing 82,838,950 ordinary shares for payment of stock dividend at the ratio of 5.64 existing shares per 1 new share, at a price of Baht 1.60 per share. In case that any shareholder holds the indivisible share remaining after such allocation, the dividend shall be paid in cash for an amount of Baht 0.2836879433 per share. The Company already issued stock dividends to shareholders on 21 May 2014.

### 28.2 Cash dividends

Dividend declared during the year ended 31 December 2015 and 2014 are as follow:

Dividends	Approved by	Total dividends paid (Thousand Baht)	Dividend per share (Baht)
Dividend for 2013	Annual General Meeting of the shareholders on 22 April 2014	14,728	0.031520883
Dividend for 2014	Annual General Meeting of the shareholders on 27 April 2015	93,509	0.17

## 29. Related party transactions

### 29.1 The relationships

Name of related parties	Relationship
FSS International Investment Advisory Securities Company Limited	Subsidiary
SBI Thai Online Company Limited	Jointly-controlled entity
Industrial and Commercial Bank of China (Thai) Public Company Limited	Major shareholder of the Company (holds 22.29% as at 31 December 2015)
Finansa Public Company Limited	Major shareholder of the Company (holds 29.29% as at 31 December 2015)
Finansa Securities Company Limited	Having common director and being the major shareholder's subsidiary
True Vision Public Company Limited	Had common director until June 2014
True Vision Cable Public Company Limited	Had common director until June 2014
True Universal Convergence Company Limited	Having common director until September 2015
True Vision Group Public Company Limited	Having common director

## 29.2 Significant transactions during the years

During the years, the Company and its subsidiary had significant business transactions with related parties, which have been concluded on commercial terms and base agreed upon in the ordinary course of businesses between the Company, the subsidiary and those parties. Below is a summary of those transactions.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	For the years ended 31 December		For the years ended 31 December		Transfer Pricing Policy
	2015	2014	2015	2014	
<u>Transactions with subsidiary</u>					
(eliminated from the consolidated financial statements)					
Other income	-	-	3,600	3,300	Contract value
Other expenses	-	-	43,200	33,000	Contract value
<u>Transactions with related parties</u>					
Directors and executive employees					
Brokerage fees	218	123	218	123	Market rate
Major shareholders					
Brokerage fees	-	18	-	18	Market rate
Interest income	6,483	5,694	6,483	5,694	Market rate
Other expenses	1,373	1,568	1,373	1,568	Contract value/As mutually agreed
Related companies and person					
Other income	5,865	1,000	5,865	1,000	Contract value
Rental and service expenses	7,087	10,520	7,087	10,520	As mutually agreed
Purchases ordinary shares of a company	100,000	-	100,000	-	Fair value

## 29.3 Outstanding balances

The balances of accounts as at 31 December 2015 and 2014 between the Company, its subsidiary and their related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 December	31 December	31 December
	2015	2014	2015	2014
<b>Cash collateral for derivatives trading<sup>(1)</sup></b>				
Industrial and Commercial Bank of China (Thai) Public Company Limited	602	595	602	595
<b>Deposits at financial institution for the Company's accounts<sup>(2)</sup></b>				
Industrial and Commercial Bank of China (Thai) Public Company Limited	1,293	2,699	1,293	2,699
<b>Deposits at financial institution for customers' and employees' accounts<sup>(2)</sup></b>				
Industrial and Commercial Bank of China (Thai) Public Company Limited	353,000	303,000	353,000	303,000
<b>Loans to employee<sup>(3)</sup></b>				
Executive employees	108	358	108	358
<b>Other receivables<sup>(3)</sup></b>				
FSS International Investment Advisory Securities Company Limited	-	-	3,020	567
SBI Thai Online Company Limited	2,619	-	2,619	-
Finansa Securities Company Limited	2,000	-	2,000	-
<b>Accrued interest receivables<sup>(3)</sup></b>				
Industrial and Commercial Bank of China (Thai) Public Company Limited	769	1,087	769	1,087
<b>Accrued expenses</b>				
Industrial and Commercial Bank of China (Thai) Public Company Limited	42	55	42	55
Directors and executive employees	57	70	57	70

<sup>(1)</sup> Included as a part of deposits for customers' account.

<sup>(2)</sup> Included as a part of cash and cash equivalents and deposits at financial institutions.

<sup>(3)</sup> Included as a part of other assets.

## 29.4 Movements of inter-company borrowings

During the year, movements of borrowings to related parties were as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	Balance as at	During the year		Balance as at
	1 January			31 December
	2015	Increase	Decrease	2015
<b>Loans to employees</b>				
Executive employees	358	-	(250)	108

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	Balance as at			Balance as at
	1 January	During the year		31 December
	2014	Increase	Decrease	2014
<b>Loans to employees</b>				
Executive employees	-	500	(142)	358

## 29.5 Directors' and key management's remunerations

During the years ended 31 December 2015 and 2014, the Company and its subsidiary had employee benefit expenses incurred for their directors and key management as below.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended		For the years ended	
	31 December		31 December	
	2015	2014	2015	2014
Short-term employee benefits	160	146	150	138
Long-term employee benefits	10	10	9	8
<b>Total</b>	<b>170</b>	<b>156</b>	<b>159</b>	<b>146</b>

## 30. Commitments and contingent liabilities

### 30.1 Commitments

30.1.1 The Company and its subsidiary have entered into several lease agreements in respect of the lease of office building space, motor vehicles and equipment which the terms of the agreements are generally between 1 and 5 years, and various service agreements which the terms of the agreements are generally between 1 and 3 years.

As at 31 December 2015 and 2014, future minimum lease and service payments required under these agreements were as follows.

(Unit: Million Baht)

Payable within	Consolidated financial statements	
	31 December 2015	31 December 2014
1 year	92	88
1 to 5 years	74	92

(Unit: Million Baht)

Payable within	Separate financial statements	
	31 December 2015	31 December 2014
1 year	92	88
1 to 5 years	73	92

30.1.2 As at 31 December 2015 and 2014, the Company has commitments to pay the fees related to its securities business and securities borrowing and lending business to the Stock Exchange of Thailand, Thailand Securities Depository Company Limited and Thailand Clearing House Company Limited. These comprise a monthly fixed amount, a percentage of trading volume each month and/or a percentage of net settlements each month.

30.1.3 As at 31 December 2015 and 2014, the Company has commitment to pay the fees related to its derivatives business to Thailand Futures Exchange Public Company Limited and Thailand Clearing House Company Limited. These comprise a monthly fixed amount and/or at the fixed payment for each purchase or sale of a futures contract transaction.

30.1.4 As at 31 December 2015 and 2014, the Company has commitments to pay a fee to the Office of the Securities and Exchange Commission in relation to securities business licenses for securities brokerage at the rate of 0.0007% to 0.0018% of its trading volume. For commission received from securities trading, underwriting and others which the Company has licenses, the fee is charged at the rate of 1% per annum of income from the aforesaid activities. The minimum total fee is Baht 500,000 per annum.

## **30.2 Contingent liabilities**

On 5 August 2013, the Company signed a Share Purchase and Sale Agreement to sell the ordinary shares of Apple Wealth Securities Public Company Limited which is the former subsidiary. Under the above Share Purchase and Sale Agreement, the Company agreed to provide a guarantee to the buyer for the losses on outstanding litigation cases. The Company is still liable for losses that may arise from litigation cases brought against that company as follows:

- (a) Litigation with a former executive of Apple Wealth Securities Public Company Limited (“Apple Wealth”)

In 2009, a former executive of Apple Wealth sued Industrial and Commercial Bank of China (Thai) Public Company Limited (“the Bank”), a shareholder of the Company in a civil law case to claim for compensation of approximately Baht 117 million on infringing the contract. On 18 August 2011, the Court of First Instance dismissed the claim of the plaintiff. Subsequently, the former executive of Apple Wealth appealed the judgement of the Court of First Instance. On 18 July 2013, the Appeal Court upheld the decision of the Court of First Instance. On 26 November 2013, the former executive of Apple Wealth submitted a plea to the Supreme Court. Later on 17 March 2015, the Supreme Court upheld the decision of the Appeal Court to dismiss the plea, resulting in the Company having no responsibility for losses on such case.

However, on 28 August 2009 the Bank entered into an agreement with the Company, to guarantee that if the final judgements of the courts are against Apple Wealth in the above cases brought by the former executive of Apple Wealth, the Bank will pay the Company the amount that the courts order Apple Wealth to pay to the former executive of Apple Wealth.



In addition, on 5 October 2012, a former executive of Apple Wealth sued the Bank and Apple Wealth in a labour case, seeking damages of approximately Baht 52 million for unfair dismissal. Subsequently, on 18 February 2013, the Central Labor Court dismissed the case. However, the former executive of Apple Wealth exercised the right to appeal, and the Central Labor Court did not accept the former executive's petition to appeal. Subsequently, on 10 April 2013, the former executive of Apple Wealth lodged an appeal with the Central Labour Court for not accepting his petition to appeal with the Central Labour Court. The Central Labour Court ordered to submit the case to the Supreme Court. The case is being considered by the Supreme Court.

On 5 August 2013, the Company entered into Sale and Purchase Agreement to sell shares of Apple Wealth held by the Company to a group of individuals. Under the agreement, the Company guarantees to the buyer for losses on the outstanding litigation cases as above.

As at 31 December 2015 and 2014, the Company recorded no provision for liabilities regarding such litigation case since should Apple Wealth eventually lose this case, the Company will be paid for such loss by the Bank as being the former parent Company of Apple Wealth, who has guaranteed such loss to the Company.

(b) Litigation with a customer of Apple Wealth Securities Public Company Limited

In February 2010, Apple Wealth was sued by a customer, claiming compensation of approximately Baht 1.2 million for breach of an agreement. On 30 May 2012, the Court of First Instance judged that Apple Wealth was not in breach of agreement but that as employer, it was jointly liable in the amount of Baht 0.2 million, plus interest at 7.5 percent per annum counting from 19 February 2009. Subsequently, on 15 August 2012, Apple Wealth submitted an appeal against the Court of First Instance's judgement. On 24 January 2014, the Appeal Court upheld the decision of the Court of First Instance. The appeal to the Supreme Court is being considering to be submitted by Apple Wealth.

On 5 August 2013, the Company entered into Sale and Purchase Agreement to sell shares of Apple Wealth held by the Company. Under the agreement, the Company guarantees to the buyer for losses on the outstanding litigation cases as above.

(c) Litigation with a former employee

The Company was sued by a former employee for libel. The Court of First Instance dismissed the claim, the plaintiff then lodged an appeal with the Appeal Court. Subsequently, on 10 November 2015, the Appeal Court gave judgement not to accept the plaintiff's petition. Hence, this litigation case is considered final and the Company had no responsibility for losses on such case.

(d) Litigation with a customer and a former employee

The Company was sued by a customer as a joint plaintiff with a former employee for breaking a brokerage agreement. The case is in process of defining the dispute. Subsequently, on 28 September 2015, the customer requested a negotiation with the Company for compensation. The Company agreed and paid such compensation on 1 October 2015 and on 5 October 2015, the customer withdrew the accusation against the Company from the Court, resulting in this litigation case being concluded. Hence, the Company already recorded such amount in 2015 financial statements.

### **30.3 Guarantees**

As at 31 December 2015 and 2014, there were outstanding bank guarantees of approximately Baht 0.1 million and Baht 0.1 million issued by banks on behalf of the Company in respect of certain performance bonds required in the normal course of business of the Company.

## **32. Segment information**

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company and its subsidiary are organised into business units based on their products and services and have 3 reportable segments as follows:

- Securities and derivatives brokerage segment, which provide service according to brokering, derivative brokering and securities borrowing and lending.
- Investment banking segment, which provide service according to underwriting, investment advisory and financial advisory.
- Proprietary trading segment, which provide service according to investment of the Company.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The following table presents information by operating segment for the years ended 31 December 2015 and 2014.

(Unit: Million Baht)

	Securities and derivatives brokerage segment		Investment banking segment		Proprietary trading segment		Elimination of inter-segment revenues		Consolidation	
	For the years ended 31 December		For the years ended 31 December		For the years ended 31 December		For the years ended 31 December		For the years ended 31 December	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Revenues	1,516	1,568	52	126	64	95	(43)	(33)	1,589	1,756
Segment profit	332	435	26	78	3	27	(43)	(33)	318	507
Unallocated income and expenses:										
Interest income									65	73
Other incomes									22	13
Operating expenses									(221)	(291)
Income taxes									(46)	(72)
Profits attributable to equity holders of the Company									138	230

The following table presents segment assets classified by operating segments, as at 31 December 2015 and 2014:

(Unit: Million Baht)

Segment assets	Securities business segment	Investment banking segment	Proprietary trading segment	Total segments	Unallocated assets	Total
At 31 December 2015	2,091	-	1	2,092	1,918	4,010
At 31 December 2014	2,544	-	1	2,545	1,593	4,138

## Geographic information

The Company and its subsidiary are operated in only Thailand and as a result all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical segment.

## Major customers

During the years ended 31 December 2015 and 2014, the Company and its subsidiary do not have revenue generated from any customer more than 10 percent of the consolidated revenues.

## 32. Financial instruments

### 32.1 Financial risk management

The Company and its subsidiary's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, deposits at financial institutions, investments, receivables from and payables to Clearing House, securities and derivatives business receivables and payables. The financial risks associated with these financial instruments and how they are managed is described below.

#### Credit risk

The Company and its subsidiary are exposed to credit risk primarily with respect to receivables from Clearing House, securities and derivatives business receivables, deposits at financial institutions, investments in debt securities and so on. The Company and its subsidiary manage the risk by adopting appropriate credit control policies and procedures and depositing and investing with creditable financial institutions and therefore do not expect to incur material financial losses. In addition, the Company does not have high concentration of credit risk since it has a large customer base.

The maximum exposure to credit risk is limited to the carrying amounts as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
<b>Financial assets</b>				
Cash and cash equivalents - deposits and note receivables with maturity of less than three months on behalf of the Company, its subsidiary, for customers and employees	1,324,682,941	2,942,075,321	1,311,610,144	2,937,402,875
Deposits at financial institutions - deposits and note receivables with an original maturity of longer than three months but not exceed one year on behalf of the Company, for customers	1,701,247,839	1,291,237,375	1,701,247,839	1,291,237,375
Receivables from Clearing House	503,066,359	60,634,972	503,066,359	60,634,972
Securities and derivatives business receivables - net	2,033,956,628	2,468,618,056	2,033,956,628	2,468,618,056
Other assets				
Interest receivable	5,770,868	17,486,861	5,770,868	17,486,861
Deposits	20,119,782	20,445,497	20,119,782	20,445,497
Fee receivables - net	3,180,922	11,705,166	3,180,922	11,705,166
Loans to employees	1,422,274	1,415,254	1,422,274	1,415,254
Other receivable - related party	2,618,862	-	5,638,934	567,345

## Interest rate risk

The Company's and its subsidiary's exposure to interest rate risk relates primarily to their deposits at financial institutions, investments in debt securities, receivables to Clearing House, securities and derivative business receivables, payables to Clearing House, securities and derivative business payables. However, since most of the Company and its subsidiary's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at 31 December 2015 and 2014 classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statement									
31 December 2015									
Outstanding balances of financial instruments									
	Floating interest rate	Fixed interest rate			Non- performing receivables	Non- interest bearing	Total	Interest rate (% p.a.)	
		Remaining period to the contractual						Floating	Fixed
		At call	Less than 1 year	1 - 5 years					
<b><u>Financial assets</u></b>									
Cash and cash equivalents	274	-	-	-	-	110	384	0.125 - 0.375	-
Receivables from Clearing House	-	-	-	-	-	503	503	-	-
Securities and derivatives business receivables - net	1,237	10	-	-	1	786	2,034	6.25	5.25
Investments - net	-	-	-	-	-	446	446	-	-
<b><u>Financial liabilities</u></b>									
Payables to Clearing House	-	-	-	-	-	185	185	-	-
Securities and derivatives business payables	-	27	-	-	-	1,163	1,190	-	3.25

(Unit: Million Baht)

Consolidated financial statement									
31 December 2014									
Outstanding balances of financial instruments									
	Fixed interest rate				Non-performing receivables	Non-interest bearing	Total	Interest rate (% p.a.)	
	Floating interest rate	Remaining period to the contractual						Floating	Fixed
		At call	Less than 1 year	1 - 5 years					
<b><u>Financial assets</u></b>									
Cash and cash equivalents	179	650	56	-	-	111	996	0.13 - 0.50	1.50 - 2.58
Receivables from Clearing House	-	-	-	-	-	61	61	-	-
Securities and derivatives									
business receivables - net	889	-	-	-	1	1,579	2,469	6.25	-
Investments - net	-	-	-	-	-	15	15	-	-
<b><u>Financial liabilities</u></b>									
Payables to Clearing House	-	-	-	-	-	412	412	-	-
Securities and derivatives									
business payables	-	-	-	-	-	1,148	1,148	-	-

(Unit: Million Baht)

Separate financial statement									
31 December 2015									
Outstanding balances of financial instruments									
	Floating interest rate	Fixed interest rate			Non- performing receivables	Non- interest bearing	Total	Interest rate (% p.a.)	
		Remaining period to the contractual						Floating	Fixed
		At call	Less than 1 year	1 - 5 years					
<b><u>Financial assets</u></b>									
Cash and cash equivalents	274	-	-	-	-	97	371	0.125 - 0.375	-
Receivables from Clearing House	-	-	-	-	-	503	503	-	-
Securities and derivatives business receivables - net	1,237	10	-	-	1	786	2,034	6.25	5.25
Investments - net	-	-	-	-	-	446	446	-	-
<b><u>Financial liabilities</u></b>									
Payables to Clearing House	-	-	-	-	-	185	185	-	-
Securities and derivatives business payables	-	27	-	-	-	1,163	1,190	-	3.25



(Unit: Million Baht)

Separate financial statement									
31 December 2014									
Outstanding balances of financial instruments									
	Floating interest rate	Fixed interest rate			Non-performing receivables	Non-interest bearing	Total	Interest rate (% p.a.)	
		Remaining period to the contractual						Floating	Fixed
		At call	Less than 1 year	1 - 5 years					
<b><u>Financial assets</u></b>									
Cash and cash equivalents	179	650	56	-	-	106	991	0.13 - 0.50	1.50 - 2.58
Receivables from Clearing House	-	-	-	-	-	61	61	-	-
Securities and derivatives									
business receivables - net	889	-	-	-	1	1,579	2,469	6.25	-
Investments - net	-	-	-	-	-	15	15	-	-
<b><u>Financial liabilities</u></b>									
Payables to Clearing House	-	-	-	-	-	412	412	-	-
Securities and derivatives									
business payables	-	-	-	-	-	1,148	1,148	-	-

## Liquidity risk

Liquidity risk is the risk that the Company and its subsidiary will be unable to liquidate its financial assets and/or procure sufficient funds to discharge their obligations in a timely manner, resulting in the Company and its subsidiary incurring a financial loss.

The Company and its subsidiary manage liquidity risk through monitoring and planning of their cash flows, including the arrangement of credit facilities with financial institutions, in order to ensure that they will have sufficient funds for their operations.

As at 31 December 2015 and 2014, remaining periods to maturity of financial instruments, counted from the reporting period-end dates, are as follows:

(Unit: Million Baht)

Consolidated financial statement						
31 December 2015						
	At call	Within 1 year	1 - 5 years	No maturity	Non-performing receivables	Total
<b>Financial assets</b>						
Cash and cash equivalents	384	-	-	-	-	384
Receivables from Clearing House	-	503	-	-	-	503
Securities and derivatives business						
receivables - net	10	780	-	1,243	1	2,034
Investments - net	-	-	-	446	-	446
<b>Financial liabilities</b>						
Payables to Clearing House	-	185	-	-	-	185
Securities and derivatives business payables	27	1,163	-	-	-	1,190

(Unit: Million Baht)

## Consolidated financial statement

31 December 2014					
At call	Within 1 year	1 - 5 years	No maturity	Non-performing receivables	Total
<b>Financial assets</b>					
Cash and cash equivalents	940	56	-	-	996
Receivables from Clearing House	-	61	-	-	61
Securities and derivatives business					
receivables - net	-	1,574	-	894	2,469
Investments - net	-	-	-	15	15
<b>Financial liabilities</b>					
Payables to Clearing House	-	412	-	-	412
Securities and derivatives business payables	-	1,148	-	-	1,148

(Unit: Million Baht)

## Separate financial statement

31 December 2015					
At call	Within 1 year	1 - 5 years	No maturity	Non-performing receivables	Total
<b>Financial assets</b>					
Cash and cash equivalents	371	-	-	-	371
Receivables from Clearing House	-	503	-	-	503
Securities and derivatives business					
receivables - net	10	780	-	1,243	2,034
Investments - net	-	-	-	446	446
<b>Financial liabilities</b>					
Payables to Clearing House	-	185	-	-	185
Securities and derivatives business payables	27	1,163	-	-	1,190

(Unit: Million Baht)

## Separate financial statement

31 December 2014					
At call	Within 1 year	1 - 5 years	No maturity	Non-performing receivables	Total
<b>Financial assets</b>					
Cash and cash equivalents	935	56	-	-	991
Receivables from Clearing House	-	61	-	-	61
Securities and derivatives business					
receivables - net	-	1,574	-	894	2,469
Investments - net	-	-	-	15	15
<b>Financial liabilities</b>					
Payables to Clearing House	-	412	-	-	412
Securities and derivatives business payables	-	1,148	-	-	1,148

## Foreign exchange risk

The Company's exposure to foreign currency risk arises mainly from brokerage service for securities listed in stock exchange in overseas and revenue and expense transactions that are denominated in foreign currencies.

The significant balances of financial assets and liabilities denominated in foreign currencies as at 31 December 2015 and 2014 are summarised below:

(Unit: Million unit)

Foreign currency	Financial assets		Financial liabilities		Average exchange rates	
	31 December	31 December	31 December	31 December	31 December	31 December
	2015	2014	2015	2014	2015	2014
					(Baht per 1 foreign currency unit)	
Vietnamese dong	8,423.2	6,671.8	4,473.4	5,976.3	0.0016	0.0016
Hong Kong dollar	-	1.0	-	1.0	4.6579	4.2516
United States dollar	0.1	1.2	-	1.1	36.0886	32.9360
Laos kip	14.1	24.2	-	11.4	0.0044	0.0041
Singapore dollar	-	0.1	-	0.1	25.5195	24.8959
Cambodian riel	108.3	2.6	106.6	1.9	0.0090	0.0082

## Market risk

The Company's exposure to market risk is the risk that volatility on the Stock Exchange of Thailand and The Thailand Futures Exchange will substantially reduce the value of its investments and collateral for securities and derivatives business receivables. However, the Company manages the market risk by analysing the market risk inherent in their various transactions, setting appropriate policies to manage such risk, and controlling risk to conform with policies.

### 33. Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

The methodology of fair value measurement depends upon the characteristics of the financial instrument. For those financial instruments which are regarded as being traded in

an active market, fair value is determined by reference to the market price of the financial instrument. If however the appropriate quoted market price cannot be determined, the fair value is determined by using an appropriate valuation technique such as discounted cash flow.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

As of 31 December 2015, the Company and its subsidiary had the assets and liabilities that were measured at fair value or their fair values are disclosed using different levels of inputs as follows:

(Unit: Million Baht)					
Consolidated and separate financial statements					
31 December 2015					
Fair value					
	Level 1	Level 2	Level 3	Total	Cost
Financial assets measured at fair value					
Held for trade investments					
Equity securities	41	-	-	41	41
Investment units	-	402	-	402	402

(Unit: Million Baht)

Consolidated financial statement					
31 December 2015					
Fair value					
	Level 1	Level 2	Level 3	Total	Cost
<b>Financial assets for which fair values are disclosed</b>					
Cash and cash equivalents	384	-	-	384	384
Receivable from Clearing House	-	503	-	503	503
Securities and derivatives					
business receivables - net	-	2,034	-	2,034	2,034
General investments - net	-	-	3	3	3
<b>Financial liabilities for which fair values are disclosed</b>					
Payable to Clearing House	-	185	-	185	185
Securities and derivatives					
business payables	-	1,190	-	1,190	1,190

(Unit: Million Baht)

Separate financial statement					
31 December 2015					
Fair value					
	Level 1	Level 2	Level 3	Total	Cost
<b>Financial assets for which fair values are disclosed</b>					
Cash and cash equivalents	371	-	-	371	371
Receivable from Clearing House	-	503	-	503	503
Securities and derivatives					
business receivables - net	-	2,034	-	2,034	2,034
General investments - net	-	-	3	3	3
<b>Financial liabilities for which fair values are disclosed</b>					
Payable to Clearing House	-	185	-	185	185
Securities and derivatives					
business payables	-	1,190	-	1,190	1,190

The methods and assumptions used by the Company and its subsidiary in estimating the fair value of financial instruments are as follows:

- (a) The fair value of marketable equity securities is derived from market price. The fair value of non-marketable equity securities is determined using net asset value per share of the investee company, except investment units which are not listed on the Stock Exchange of Thailand, is determined using the net asset value per unit announced by fund managers.
- (b) Financial assets and liabilities, which have short-term maturity periods or bear interest at rates close to market interest rates, including cash and cash equivalents, receivables from Clearing House, securities and derivatives business receivables, payables to Clearing Houses, and securities and derivative business payables, their fair values approximate their carrying values.

#### **34. Capital management**

The primary objectives of the Company's capital management are to maintain the Company's ability to continue as a going concern, to have an appropriate financial structure and to maintain net liquid capital in accordance with the rules laid down by the Office of the Securities and Exchange Commission.

#### **35. Event after the reporting period**

On 18 February 2016, a meeting of the Board of Directors of the Company has a resolution to propose the dividend payment from profit for 2015 at Baht 0.13 per share. This dividend will be proposed for consideration and approval in the Annual General Meeting of the Company's shareholder, which will be held on 27 April 2016.

#### **36. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 18 February 2016.

## Opinions on the Company and the Audit Committee on Related Transactions

### Brokerage Fee

The Company provides brokerage service to directors and shareholders of the Company as the normal business practice where the brokerage fees are charged at the minimum rate as required by SET. The Audit Committee considered and deemed that such transaction was reasonable and fair.

### Satellite Media Service

The Company uses satellite service from True Visions Group Co., Ltd. for both offices and clients where the Company pays monthly fee. The service fee charged by True Visions Group is the same fee that charges other clients. The Audit Committee, therefore, deemed that such transaction is reasonable and the fee price is fair.

### Related Transaction Policy

The Company has a policy to examine the related transactions based on the Company's benefit and appropriateness. Related transactions can be divided into 2 categories; normal transaction occurring on a regular basis and extraordinary transaction.

#### 1. Regular Normal Transaction

Transaction such as fee from brokerage service is a normal transaction occurring on a regular basis. The Company, therefore, has procedure for such transaction to be taken under normal business conditions and at a fair, reasonable and transparent price where this procedure is considered and approved by the Audit Committee. The Audit Committee shall review these related transaction on a quarterly basis.

#### 2. Extraordinary Transaction

The Audit Committee is assigned to supervise extraordinary transaction and to review that such transaction is appropriate and reasonable. The Company shall seek external experts such as auditor, appraiser or lawyer for their comments if the Committee is not keen in such area. Comments from such experts will be taken into consideration before conclusion can be reached.



# MANAGEMENT DISCUSSION AND ANALYSIS

## 1. Business Overview and Significant Change in Global Market

At the end of 2015, SET index closed at 1,288.02 points, decreasing 14.0 percent from year-ended 2014, having been affected by both internal factors such as the adjusted economic growth forecast, the export slowdown, the baht depreciation, and low oil prices; as well as external factors including concerns over slowing economic growth and the US Federal Reserve's interest rate rise which resulted in capital outflow from risk assets worldwide, especially from emerging markets. Consequently, foreign investors were net sellers with a value of Baht 155.63 billion, coincidentally similar to other stock markets in the region such as Korea, the Philippines and etc. In addition, while moving in the same direction as other regional exchanges, comparatively the SET Index provided better returns than the MSCI Frontier Markets Indexes the MSCI Emerging Market index.

The average daily securities trading value of SET and mai in 2015 was Baht 44.30 billion, down 2.56 percent from 2014. SET's market capitalization at the end of 2015 stood at Baht 12.28 trillion, down 11.36 percent from the year-end 2014, while mai's was at Baht 323.48 billion, down 15.56% from the previous year. The forward P/E ratios of SET and mai at the end of 2015 were 14.51 and 27.38 times respectively. In addition, both the SET's and mai's dividend yields rose to 3.58 percent and 1.29 percent respectively. Compared to year-end 2014, the Services Industry stock index rose, while Industry Group indices that declined less than the market average included Property & Construction, Industrials, and Agro & Food Industry.

### Securities Trading

In 2015, SET's stock trading value remained close to the previous year's. The total trading value of SET and mai was Baht 44.30 billion, down 2.56 percent from 2014. In Quarter 4/2015, the average trading value totaled Baht 41.01 billion, down 26.42 percent compared to Quarter 4/2014. In Q4/2015, SET was negatively affected by both internal factors such as lowered GDP growth forecast, slowing exports and other factors such as concerns over a slowdown in Chinese economic growth, the volatility of the Chinese stock market, and the US Fed's interest rate rise which caused, for the first time in nine years, a worldwide capital outflow from risk assets, especially in emerging markets.

Domestic retail investors continued to play an important role in trading even though in 2015 the ratio shrank slightly to 59.21 percent from 62.32 percent in 2014, while the ratio of foreign investors increased to 22.20 percent from the previous year's 20.25 percent. For Quarter 4/2015, domestic retail investors accounted for 57.65 percent of trading, down slightly from 58.13 percent in the previous quarter, while the ratio of foreign investor was 23.33 percent, up from 22.86 percent in Q3/2015.

### Derivatives

In 2015, Thailand Futures Exchange Pcl. (TFEX) had average daily trading volume of 199,749 contracts, an increase of 35.86 percent over 2014 and an increase of 10.70 percent from the same period last year primarily due to the increased trading of SET50 Index futures and SET50 Index options. For Quarter 4/2015, the average daily trading volume on TFEX was 198,345 contracts, down 7.31 percent from the same period last year.

## 2. Results of Operations

### Revenue

In 2015, the Company's total revenue comprising of securities brokerage commissions, fees and services, gain from capital investment, interest and dividend, interest from loans and others. The major source of income was securities brokerage commissions accounted for 84.25 percent of total revenue.

In 2015, the Company's total revenue was Baht 1,679 million, decreasing from the same period in 2014 in which the Company's total revenue was Baht 1,841 million due to decrease in brokerage commission reduced by Baht 58 million from Baht 1,473 million in 2014 to Baht 1,415 million in 2015 in accordance with the decline of total trading value of the exchange. Moreover, fees and services income reduced by Baht 78 million from Baht 141 million in 2014 to Baht 63 million due to decrease in investment banking business as a result of the economic slowdown.

### Income Structure of Company based on Consolidated Financial Statements as of 2014 – 2015

Items	2014		2015	
	Baht Million	%	Baht Million	%
<b>Income</b>				
Brokerage Commissions	1,472.66	80.00	1,414.62	84.25
Fees and services	140.93	7.65	62.65	3.73
Gain on investments	100.16	5.44	95.57	5.69
Loss on derivatives	(0.03)	(0.00)	5.11	0.30
Share of Losses from investments in an associate and a jointly-controlled entity under equity method	(13.08)	(0.71)	(29.32)	(1.75)
Interest and dividend income	74.34	4.04	64.92	3.87
Interest income on margin loans	56.08	3.05	57.87	3.45
Gain on sale of a subsidiary	-	-	-	-
Other income	9.80	0.53	7.61	0.45
<b>Total Income</b>	<b>1,840.86</b>	<b>100.00</b>	<b>1,679.03</b>	<b>100.00</b>

## Brokerage Commission

Income Structure of Company's Brokerage Commission Based on Consolidated Financial Statements as of 2014 - 2015

Items	2014		2015	
	Baht Million	%	Baht Million	%
Brokerage commission from securities business	1,388.47	94.28	1,333.62	94.27
Brokerage commission from derivatives business	79.92	5.43	72.82	5.15
Other brokerage commission	4.27	0.29	8.18	0.58
<b>Total</b>	<b>1,472.66</b>	<b>100.00</b>	<b>1,414.62</b>	<b>100.00</b>

In 2015, the Company had brokerage commission of Baht 1,415 million, decreasing Baht 58 million from 2014 in which the brokerage commission was Baht 1,473 million. Total brokerage commission from equity trading was Baht 1,334 million, reduced by Baht 55 million from 2014 in which the brokerage commission from equity trading was Baht 1,388 million. The reasonsof these reduction was due to average daily trading value of market decreased from Baht 41,521 million to Baht 40,225 million. The brokerage commission from derivatives trading reduced by Baht 7 million from Baht 80 million in 2014 to Baht 73 million in 2015 and the Company's market share from derivatives trading reduced from 3.17 percent in 2014 to 2.20 percent in 2015. Other brokerage commission increased by Baht 4 million from Baht 4 million in 2014.

## Fees and Services

Income Structure of Fee and Seviles based on Consolidated Financial Statement as of 2014 - 2015

Items	2014		2015	
	Baht Million	%	Baht Million	%
Underwriting	118.64	84.18	42.77	68.26
Financial Advisory	7.14	5.07	12.41	19.81
Borrowing / Lending securities	1.86	1.32	0.87	1.40
Securities research fees	11.00	7.81	6.00	9.58
Others	2.29	1.62	0.60	0.95
<b>Total</b>	<b>140.93</b>	<b>100.00</b>	<b>62.65</b>	<b>100.00</b>

In 2015, the Company received revenues from providing investment advisory and underwriting service amounted to Baht 55 million, reduced by 56.13 percent from 2014. The revenues from investment advisory and underwriting service were Baht 12 million and Baht 43 million respectively. The major result came from less capital fund-raising through equity instrument of listed companies from the previous year. In 2015, there were 33 newly listed companies of which 20 companies listed in SET and 13 companies listed in mai while in 2014,

there were 37 newly listed companies and participated in 20 IPO underwritings. Moreover, the revenue from borrowing and lending of securities amounted to Baht 0.9 million, reduced by Baht 1.9 million from 2014.

#### Other revenues excluding brokerage commission, fees and services income

The Company's other revenue excluding brokerage commission, fees and services were gain and loss from investments, profit and loss on derivative trading, interest and dividend, interest from margin loans and other incomes.

In 2015, the Company received other revenues, excluding brokerage commissions and fees and services amounted to Baht 202 million while the Company's other revenue was Baht 227 million in 2014, reduced by Baht 25 million or equivalent to 11.01 percent. This was because revenue from interest and dividend reduced from 2014 by Baht 10 million.

#### Expenses

Structure of Company's Expenses based on Consolidated Financial Statements as of 2014 – 2015

Items	2014		2015	
	Baht Million	%	Baht Million	%
<b>Expenses</b>				
Financial costs	34.99	2.27	30.79	1.83
Fees and services	131.96	8.57	136.63	8.14
Operating expenses				
Personnel expenses and directors' remuneration	968.26	62.89	952.16	56.71
Expense for building, premise and equipment	257.10	16.70	238.93	14.23
Other expenses	147.76	9.60	136.41	8.12
Total Operating expenses	1,373.12	89.19	1,327.50	89.02
Reversal allowance of doubtful debt	(0.78)	(0.05)	(0.24)	(0.01)
Impairment loss on investment	0.36	0.02	-	-
<b>Total Expenses</b>	<b>1,539.65</b>	<b>100.00</b>	<b>1,494.68</b>	<b>100.00</b>

In 2015, the Company had total expenses of Baht 1,495 million reduced from 2014 by Baht 45 million. The proportions of expenses for staff and directors's remuneration, premises and equipment and fees and services accounted for 56.71 percent, 14.23 percent and 8.12 percent respectively. The Company's expenses for staff and directors's remuneration was Baht 952 million reduced from 2014 by Baht 16 million due to decrease in the Company's trading volume. Fees and services expenses amounted to Baht 137 million increased from 2014 by Baht 5 million. Moreover, the Company's other expenses was Baht 136 million reduced from 2014 by Baht 11 million.

## Net Profit

In 2015, the Company's operating result was Baht 138 million reduced from 2014 by Baht 92 million due to the reduction of total revenue from Baht 1,841 million in 2014 to Baht 1,679 million in 2015, or reduced by 9 percent. The major reason for the reduction of net profit was from the reduction of brokerage commission, fees and services, gain from investments and interest and dividend. The Company's overall expenses decreased from Baht 1,540 million in 2014 to Baht 1,495 million or decreased by 3 percent resulting from the reduction of staff expenses and premise and equipment expenses. The rate of reduction of total expenses was less than the reduction rate of total revenue which caused the significant decrease the net profit margin of 2015. This was the result of premises and equipment expenses which is considered as a fixed expense and renting fees raised by lessor. Although the economy as a whole declines, the Company has controlled the cost by reducing leased space of head office.

Return on Equity (ROE) in 2013, 2014, 2015 was at 22.23 percent, 11.04 percent and 6.09 percent respectively. After analysis, it was found that the Company's ROE in 2015 reduced by half from 2014 because the Company's net profit margin reduced from 12.48 percent in 2014 to 8.20 percent in 2015. In addition, the factors affecting ROE which should be taken into consideration was the Company's assets turnover as it reduced from 0.45 times in 2014 to 0.41 times in 2015. However, financial leverage decreased from 1.88 times in 2014 to 1.71 times in 2015 due to the reduction of securities and derivatives business payables.

## 3. Asset Management Ability

### Assets

As at December 31<sup>st</sup>, 2015, the Company's total assets was at Baht 4,010 million which mainly comprised of securities and derivatives business receivables-net which changed in accordance with total trading value within the last 3 business days before the end of each accounting period. This item was approximately 50 percent of total assets as at December 31<sup>st</sup>, 2015. Another important asset was cash and cash equivalents which was approximately 13 percent of the total assets on the same day.

### Securities and Derivatives Business Receivables

As of December 31<sup>st</sup>, 2015, the Company had securities and derivatives business receivables-net amounted to Baht 2,034 million reduced from 2014 at the amount of Baht 2,469 million in accordance with the trading volume traded in SET and TFEX. As of December 31<sup>st</sup>, 2015, the securities and derivatives business receivables-net were as follows:

- Receivables from cash accounts amounted to Baht 765 million or equivalent to 38 percent of securities and derivatives business receivables-net, reduced from end of 2014 by 26 percent due to the value of securities trading within 3 days before the end of 2015 which was less than that of the value of securities trading within 3 days before the end of 2014.

- Credit balance accounts amounted to Baht 1,237 million or equivalent to 61 percent of securities and derivatives business receivables-net, increased from end of 2014 by 25%.
- Receivable from securities borrowing and lending as at December 31<sup>st</sup>, 2015 amounted to Baht 10 million increased from 2014 at Baht 0.3 million.
- Collateral receivables and other receivables as at December 31<sup>st</sup>, 2015 amounted to Baht 71 million.
- Receivables from derivatives business as at December 31<sup>st</sup>, 2015 amounted to Baht 3.5 million increased from 2014 at Baht 2.5 million.

At the end of 2015, the Company set its securities receivables according to SEC and SET Announcement in order to categorize the accounts on sub-standard debts. The normal debt was at the amount of Baht 2,030 million, while there was Baht 70 million of doubtful debts was already fully reserved. In addition, there was the total of Baht 1 million for sub-standard debt which was considered low when compare to total securities and derivatives business receivables including accrued interest receivables at the end of 2015. The Company has a policy to select the quality clients and follow up clients to settle all transactions on time. Additionally, the Company strictly complies with SEC Notification to categorize accounts for sub-standard debts to avoid doubtful debts.

#### Investments

As at December 31<sup>st</sup>, 2015, the Company had investment in securities at the net value of Baht 446 million. The majority were trading investments equity (listed securities) which as at such date, total net value was Baht 443 million, equivalent to 99 percent of the net investment in securities.

#### Investment in Subsidiary, Associate and Joint Venture

As at December 31<sup>st</sup>, 2015, the Company invested in FSS International Investment Advisory Securities Co., Ltd (the Subsidiary) totaling of Baht 7.70 million, equivalent to 96.25 percent of paid-up shares; SBI Rotal Securities Plc. (Associate) totaling Baht 105.46 million, equivalent to 20.01 percent of paid-up shares and also SBI Thai Online Securities Co., Ltd. (Jointly-Controlled Entity) totaling of Baht 325.00 million, equivalent to 45.00 percent of paid-up shares.

#### Receivables from Thai Clearing House

As at December 31<sup>st</sup>, 2015, the Company had receivables from Thai Clearing house amounted to Baht 503 million, reduced from the amount on December 31<sup>st</sup>, 2014, at Baht 61 million.

#### Equipment

As at December 31<sup>st</sup>, 2015, the Company had equipment-net amounted to Baht 71 million reduced from Baht 109 million at the end of 2014. The majority of equipment investment was fixtures equipments.

## Other Assets

The company had other assets which were net intangible assets, deferred tax assets and other net assets in which net book value as at December 31<sup>st</sup>, 2015, was at the amount of Baht 176 million compare to Baht 187 million as at end of 2014.

## 4. Liquidity and Sufficiency of Capital

### Liquidity

In 2015, the Company's net cash flow from operating activities was Baht 474 million which mainly resulted from the increase of trading investment by Baht 431 million. The Company invested in unit trusts amounted to Baht 400 million as another source of income to the Company.

In 2015, the Company's net cash flow from investment activities was Baht 43 million which mainly resulted from the purchase of intangible assets.

In 2015, the Company's net cash flow from financing activities was Baht 95 million due to the re-payment of financial lease and dividend payment.

In considering the Company's liquidity, an additional issue is ability to meet its Net Capital Requirement (NCR), to be in line with SEC's regulation. During the past 2 years (2014-2015), the Company was able to maintain its NCR above 7 percent which was the minimum net capital requirement from the SEC. it demonstrates that the Company had sufficient liquidity for operating business. The Company NCR was 94.24 percent in 2014 and 112.01 percent in 2015. The ratio of net capital requirement will be changed depending on various factors such as securities trading volume and underwriting of securities.

### Source of Funds

As at December 31<sup>st</sup>, 2015, the Company's source of funds derived from liabilities was Baht 1,664 million and shareholder's equity was at Baht 2,196 million which had debt to equity ratio as at December 31<sup>st</sup>, 2014- 2015, equivalent to 1.05 times, 0.88 times, 0.71 times respectively. The majority of debt came from securities and derivatives business payables in which its movement was in proportion to trading volume within 3 days before the end of each accounting period. To consider debt to shareholder's equity ratio as at December 31<sup>st</sup>, 2013 - 2015, excluding securities and derivatives business payables, the Company had shareholder's equity ratio equaled to 0.25 times, 0.36 times and 0.20 times respectively.

### Funding Structure

The Company has a suitable funding structure as of December 31<sup>st</sup>, 2015, the Company and its subsidiary source of funding was from liabilities amounted to Baht 1,664 million and shareholder's equity amounted to Baht 2,346 million. The debt to equity ratio was at 0.71 times. The Company's liability was Baht 1,660 million and shareholder's equity was Baht 2,379 million. The debt to equity ratio was at 0.70 times. The majority of debts were securities and derivatives business payables which changed in proportion to trading value within 3 business days before the end of each accounting period.



## 5. Factors or Situation Affecting Financial Status of the Company's Operation

The Company's operation relied on many factors such as economic condition, money market situation, investor sentiment, political issue or disturbance both local and international. Liberalization of commission rate also had an impact. These factors affecting local and foreign investors sentiments might affect financial status and operations.

Risk from change in prices of securities that the Company invested affected profit and loss on its investment. The Company, therefore, set a clear investment policy and regulation to use as guideline to prevent settlement risks and trading errors. The Company has implemented risk control and management measures for proprietary trading and considers new business activities to diversify its source of revenue.

### Auditor Remuneration

#### 1. Audit Fee

The financial statements of Finansia Syrus Securities Public Company Limited and its subsidiary for the year-ended as at December 31<sup>st</sup>, 2015 were audited by EY Office Limited. The audit fees are detailed as follows:

Finansia Syrus Securities Public Company Limited	1,250,000 Baht
FSS International Investment Advisory Securities Company Limited	350,000 Baht

#### 2. Non-Audit Fee

- None -

# RELATED TRANSACTIONS

During 2015, there were related transactions as follows;

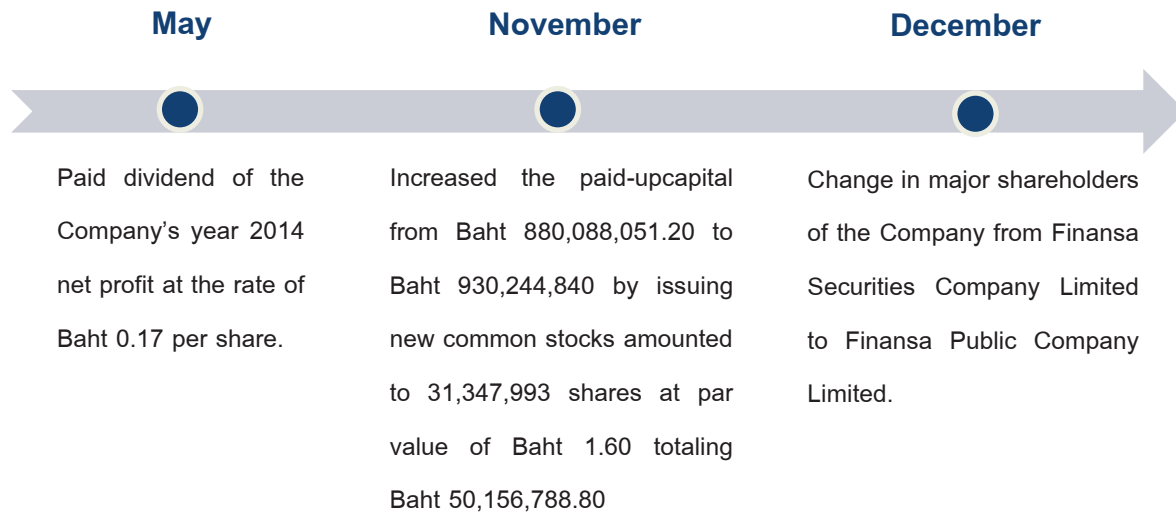
(Unit: Baht Million)

Related Parties	Relationship	Details of Transaction	Value 2015
1. Directors and Management	<b>As of December 31<sup>st</sup>, 2015</b>		
	<b>- <u>Directors</u></b> <ol style="list-style-type: none"> <li>1. Mr. Chatchaval Jiaravanon</li> <li>2. Mr. Varah Sucharitakul</li> <li>3. Mr. Chuangchai Nawongs</li> <li>4. Mr. Somphop Keerasuntonpong</li> <li>5. Mrs. Pornpring Suksantisuwan</li> <li>6. Mr. Som Pisarnsopon</li> <li>7. Pol.Lt.Gen. Visanu Prasattongosoth</li> <li>8. Mr. Phaiboon Siripanoosatien</li> <li>9. Mr. Kittisak Bencharit</li> </ol>	<ul style="list-style-type: none"> <li>• In 2015, Director 1, 3, 4, 5, and 7 have securities trading account with the Company and 2 Directors (3 and 7) have total trading value of Baht 87.80 million.</li> </ul>	
	<b>- <u>Management</u></b>		
	<ol style="list-style-type: none"> <li>1. Mr. Kuntra Ladavalaya Na Ayudya</li> <li>2. Mr. Chatchai Chumsiri</li> <li>3. Mr. Chaiyaporn Dhammapeera</li> <li>4. Mr. Pothorn Chuemvarachart</li> <li>5. Mr. Somchai Kaewjaroenpisan</li> <li>6. Mrs. Vilai Phongpreecha</li> <li>7. Ms. Kanoknapat Sithivaraporn</li> <li>8. Mr. Supat Apiratimai</li> <li>9. Mr. Pannatat Smitthisakda</li> <li>10. Mrs. Nusara Rooncharoen</li> <li>11. Mrs. Wimon Lovichit</li> <li>12. Mr. Richard Edmond Markarian</li> </ol>	<ul style="list-style-type: none"> <li>• In 2015, Management 1, 2, 3, 4, 5, 6 and 10 have securities trading account with the Company and 1 Management (3) has total trading value of Baht 0.93 million.</li> </ul> <p>(The Company charges directors and management with normal minimum rate according to SET.)</p>	
2. The Company top 10 major shareholders	<b>As of December 31<sup>st</sup>, 2015</b>	<b><u>Fee received</u></b>	
	<b>- <u>Top 10 major shareholders</u></b> <ol style="list-style-type: none"> <li>1. Finansia Securities Company Limited</li> <li>2. ICBC (Thai) Plc.</li> <li>3. Ms. Chayuda Jiaravanon</li> <li>4. Mr. Chaval Jiaravanon</li> <li>5. Mr. Thawatchai Suebwonglee</li> </ol>	<ul style="list-style-type: none"> <li>• In 2015, Shareholders 1, 2, 3, 4, 6, 7 and 9 have securities trading account with the Company.</li> </ul>	

Related Parties	Relationship	Details of Transaction	Value 2015
	6. Mr. Anucha Sihanatkathakul 7. Mrs. Suporn Wattanavekin 8. Thai NVDR Co., Ltd. 9. Mr. Arun Suntudkul 10. Mr. Chamroen Rungwattanasat	(The Company charges directors and management with normal minimum rate according to SET.)	
<b>3. True Vision Group Co., Ltd.</b>	<b>As of December 31<sup>st</sup>, 2015</b> Mr. Chatchaval Jiaravanon, a director and major shareholders of the Company, is also a director of True Vision Plc.	<b><u>Service fees</u></b> • The Company uses Cable TV satellite service from True Vision Group Co., Ltd.  <b><u>Accrued expense</u></b>	0.71    -
<b>4. Management</b>		<b><u>Loan</u></b> • The Company offers loan to management and employee.  <b><u>Interest Income</u></b> • The Interest rate that the Company offering to the employee was an average of 2% per annum for fix 12-month deposit. • In 2015, Interest rate was 3.5 per annum.	0.11   0.01
<b>5. FSS International Investment Advisory Securities Co., Ltd.</b>	<b>As of December 31<sup>st</sup>, 2015</b> It was the Company's subsidiary.	<b><u>Other Receivables</u></b> • from other receivables  <b><u>Income from service fees</u></b> <b><u>Other expenses</u></b> • from Agreement	3.02   3.60 43.20
<b>6. SBI Thai Online Securities Company Limited</b>	<b>As of December 31<sup>st</sup>, 2015</b> It was the Company's Joint Venture.	<b><u>Other Receivables</u></b> • from other receivables  <b><u>Other incomes</u></b>	2.62   2.62

Related Parties	Relationship	Details of Transaction	Value 2015
7. ICBC (Thai) Plc.	As of December 31 <sup>st</sup> , 2015  It was a major shareholder of the Company.	<b><u>Deposit</u></b>	353.00
		• The Company has current account and promissory note with the Bank.	
		<b><u>Margin pledged for derivative trading</u></b>	0.60
		<b><u>Accrued interest receivables</u></b>	0.80
		• from promissory note	
		<b><u>Interest incomes</u></b>	5.69
		• from promissory note	
		<b><u>Interest expenses</u></b>	-
		• MLR interest rate = 6.5 per annum	
		<b><u>Rental and service payment</u></b>	1.37
8. Finansia Securities Co., Ltd.	As of December 31 <sup>st</sup> , 2015  It was the Company's subsidiary of the major shareholder of the Company.	• Branch Office Rental Fee in which the rental rate is upon Agreement and refers from the market price.	
		<b><u>Other accrued expenses</u></b>	0.04
		<b><u>Other Receivables</u></b>	2.00
		• from other receivables	
		<b><u>Other incomes</u></b>	3.00

## MAJOR EVENTS IN 2015



# RISK FACTORS

## 1. Exposure to Volatility of the Market

The main revenue of the Company received from the trading brokerage fee. This relates to the economic, money market and capital market conditions, SET trading volume as well as the confidence of Thai and foreign investors. The Company's performance depends on many factors; such as political and economic situations which are over the Company's control. If there are the fluctuations of such situations, it will affect trading volume and revenue from brokerage which is the main revenue of the Company.

The Company's consolidated revenue from brokerage fees in 2015, 2014 and 2013 were Baht 1,333.62 million, Baht 1,388.47 million and Baht 1,752.94 million respectively. The Company's revenue from brokerage fees from 2015, 2014 and 2013 were Baht 1,333.62 million, Baht 1,388.47 million and Baht 1,631.17 million respectively.

To minimize the risk of being solely reliance of the revenue on brokerage fees, the Company has policy to increase activities on other products and services; such as Investment Banking, Derivatives, SBL, Selling Agent and Global Trading as well as engage in any new financial products to offer to clients.

## 2. Competition within the Industry

Brokerage business is a highly competitive business because of the nature of the product which is homogeneous and number of competitors. Currently, there are 37 brokers in the industry. Moreover, after January 1<sup>st</sup>, 2012, commission rate will be liberalized and this could activate severe price competition. If the Company did not maintain the quality of servicers, the Company might lose the market share.

To support the impact from the competitors, the Company strengthened the business and supported the liberalized commission rate. Moreover, the Company improved the quality services and continuously improved our employees to be more knowledgeable. The Company also developed IT system and extended the business to better serve the clients to gain more revenue.

## 3. Client Concentration

In 2015, 2014 and 2013, the total trading value from top 10 clients was Baht 391,033 million, Baht 280,476 million and Baht 321,262 million, equivalent to 35.00 percent, 26.31 percent and 25.36 percent of total trading value of the Company. The absence of this group of clients will affect the Company's revenue.

The Company sees the risk in client concentration and seeks to handle such risk by expanding retails, institutional clients in both domestic and foreign countries. As at the end of 2015, 2014 and 2013, the Company had the total of 57,136 accounts, 52,778 accounts and 50,147 accounts respectively. The Company continues seeking to increase its clients both domestic and foreign institutional clients.

## 4. Underwriting Risk

Even though underwriting business is another source of income for the Company and a channel to keep and expand clientele, the Company has to take the risk in the event that the underwriting shares are not fully subscribed. The Company may face loss if the balance, absorbed by the Company, is traded at the price below the IPO price, and such loss may affect the Company liquidity. Such risk is subject to factors like market volatility and investor opinion on the share price.

To avoid such risk, the Company will ensure that the IPO price is appropriate and suitable. The Company must inspect and conduct a thorough examination on the company in which the Company will underwrite based on the owner's need and money market sentiment before agreeing to offer underwriting service. The Company Executive Committee will evaluate the risk before the Company commit to any underwriting service; of which the Company has never been affected by such risk. Furthermore, the Company always maintains NCR at a higher level than the 7 percent required by SEC. As of December 31<sup>st</sup>, 2015, the Company's NCR stood at 112.01 percent.

## 5. Risk from Default Payment

The Company reduced default risk by only selecting clients with financial stability. Furthermore, the Company has strict risk management policy and assesses client credit line according to Association of Thai Securities Companies. Credit limit review is taken seriously to ensure that the trading limit is appropriate and suitable for the clients' financial status. In case of default, the Company has stipulate measure to handle the case. Normally, clients are required to pledge collateral with the Company; the collateral can be forced sell to pay off debt immediately. Together with SET regulation, it enforces clients to deposit cash as collateral with the Company in an amount with no less than 20 percent of the credit line.

Furthermore, the Company has offered more margin loan service to clients. However, the Company has clear credit assessment with strict control and monitoring procedure to follow. The Company produces lists of securities and initial margin rate and reviews regularly. In addition, the Company has procedure to control collateral in margin account, once the value of asset is lower than required level, margin call or force sell will be enforced.

As of December 31<sup>st</sup>, 2015, the Company has total receivables and accrued interest of Baht 2,101 million, sub-standard receivables of Baht 1 million and doubtful debt of Baht 70 million, equivalent to 0.05 percent and 3.33 percent respectively. The Company has set full provision for the aforementioned amount. Currently, the Company is carrying out a law suit with those categorized in doubtful debt and will write off the amount when clients fail to repay debt.



## 6. Reliance on Human Resources

The securities business relies highly on experienced employees especially in the field of marketing, investment banking and research which are the professions highly desired. The resignation from such employees could affect the Company's performance.

To minimize such risk and effect, the Company has policy to develop and educate every level and profession so replacement is easy when needed. Furthermore, Association of Thai Securities Companies sets the allowance on compensation given to investment consultants to help controlling the movement of such profession. The Company has also developed a clear policy where investment consultants will be properly compensated in terms of salary, bonus and welfare; as well as good caring environment at a well maintained workplace. The Company encourages good team work, bonding among co-worker, as well as offers opportunity for career growth.

## 7. Risk from System Failure

IT system is another important element to brokerage business, any error or failure of the system could directly affect the Company's performance and creditability. The system that the Company uses now is Intelligent Integrated Brokerage Application (IIBS) with important components of the system as follows; a Real-Time trading system called Front Office Integrated System (IFIS) and SBL system which is integrated into both Front and Back Office. As for the internet trading system for the clients, the Company offers the system called iTrade. The system enables clients to place order via online for both domestic and foreign markets. The Securities Back-Office Automation System (SBA) is a system handling settlement between the clients and Thailand Clearing House; as well as process and manage various information such as credit limit and report on NCR ratio. While Oracle Finance is used to manage accounting and finance related information, Front Office Integrated Derivatives System (IFISD) and SBAd are used for real-time derivatives trading and to process back office data.

All systems are constantly upgraded to increase efficiency to be faster and more accurate on data processing and have higher capacity. The Company has prepared backup system in terms of data storage, power system and security system. Data backup processor is located at the head office, and secondary site at 47/553-4, 47/557-8, 8<sup>th</sup> Floor, Bangkok Land Building, Popular Road, Pakkret, Nontaburi 11120. The secondary backup system is able to replace the main system in case of failure or malfunction. The utilization rate of the Company's main system is at 50 percent which could still process a lot more amount of data. As for Derivatives, the Company uses Click Trade trading systems from TFEX and from Settrade as backup systems. In addition, the Company also strictly complies with SEC in terms of code of conduct and Information Technology Security policy.

For provincial branches, the Company has installed computer with MPLS line to enable faster data travelling between head office and branches while the backup circuit will shift in when there is a system failure. The Company has also installed backup power system in case of any power system failure.

Furthermore, the Company runs a monthly testing on overall systems, especially on power system besides regular inspection from vendors every 3 months. Since starting the operation, the Company has not faced such failure.

With continuous development on our IT system, careful selection and good information management and excellent customer service, system failure risk shall be avoided.

## 8. Risk Associated with Operating a Business under Regulated Environment

As securities trading business operates under regulation of SEC, SET and Anti-Money Laundering Office (AMLO), any changes in rules and regulations could affect the Company's performance. Moreover, the Company could face some risks in breaching code of conduct for services such as investment banking and broking. Such breaches could affect the Company's reputation and/or face suspension of investment consultant or penalty which could affect the Company's performance.

However, the Company has strict internal audit and compliance policy to control and monitor all employees. Any amendment on rules and regulation will be updated and announced to all employees and related parties at all time.

## 9. Derivatives Risk

The Company was granted the Derivatives license by SEC on October 14<sup>th</sup>, 2005 and is the member of Thailand Futures Exchange (TFEX) and Thailand Clearing House (TCH). The Company has operated and offered derivatives service since March 17<sup>th</sup>, 2008. Currently, there are 42 members of TFEX and TCH.

In 2015 and 2014, there were the total trading contracts of 2,140,526 contracts and 2,284,953 contracts, equivalent to 2.20 percent and 3.17 percent of the total market share respectively. The total trading contracts extremely increased due to the reduction of margin requirement of SET50 Index Futures. It was reduced to 1/5 (one-fifth) of the original margin requirement. Moreover, the investors applied Single Stock Futures (SSF) to prevent risk and gain profit during the market fluctuation. The total trading contracts of SSF in also enormously increased. It increased from 8,415,967 contracts in 2013 to 19,624,561 contracts in 2014, equivalent to 133 percent. This data showed that the investors were more interested in trading derivatives. Since the Company started offering derivatives service, there were more clients each year and the Company's market share also increased.

The Company has consolidated income from derivatives trading in 2015, 2014 and 2013 with the total amount of Baht 72.82 million, Baht 79.92 million and Baht 122.46 million respectively. There is no derivative trading services provided from the Subsidiary.

However, by nature of derivatives having high risk due to its mechanism and complexity, the Company has strict risk management procedure and set sufficient amount of margin to be placed as collateral and clear procedure on margin call and position closing together with training and educational program for employees.

## 10. Major Shareholder Exceeding 25% Risk

Finansa Public Company Limited is the major shareholder holding 29.29 percent of the total paid-up shares. The Shareholder is able to control the resolution of the important agenda of Annual General Meeting, the resolution involved law and the resolution required three-quarter of the shareholder attending the Meeting. Consequently, other shareholders have risk in terms of having not enough votes to ask for the verification or balance the vote. However, the 3 Independent Directors from 9 Directors acting as the Company's Audit Committee are responsible for checking and suggesting the Company's operation to be correct and transparency.

# GOOD CORPORATE GOVERNANCE

The Company sees the importance of good Corporate Governance and efficiency and transparency of our management system; thus, these will build our shareholders, investors, beneficiary and other related parties' confidence. The Company operates according to the Good Corporate Governance practice as set by SEC and SET and has prepared the 2015 Corporate Governance as follows;

## 1. The Rights of Shareholders

The Company emphasizes on the shareholders' rights and encourages them to exercise such rights by studying the agendas before the shareholder's meeting according to what is required by law.

In 2015, the Company held the Annual General Meeting on April 27<sup>th</sup>, 2015, at 2.00 p.m. at Silver 1, Grand Mercure Bangkok Fortune Hotel. The Company arranged the Meeting in the area having good transportation system for the convenience of the shareholders. The details of the Meeting were sent along with proxies and other required information. Details of how the Meeting was held are as follows;

- 1.1 The Company explained to shareholders the voting method and provided sufficient amount of information to cast a vote for each agenda prior to the meetings.
- 1.2 The shareholders are able to vote for the followings agendas;
  - a) Appoint or discharge of any director and/or appoint any new director to replace those who retire by rotation;
  - b) Determine director's remuneration amount and payment policy
  - c) Appoint auditor and remuneration
  - d) Determine dividend policy.
  - e) Allow shareholder to vote by way of proxy
- 1.3 The Company allows shareholders to express their opinions and questions in the meeting.
- 1.4 The Company allows shareholders to propose any agendas for the meeting in advance at [www.fnsyus.com](http://www.fnsyus.com)
- 1.5 The Company has instructed Thailand Securities Depository (Thailand) Co., Ltd (TSD) to act as the Company's registrar and deliver invitation letter to all shareholders 7 days in advance which is the period required by regulations.
- 1.6 The Company posted the invitation letter on the website, [www.fnsyus.com](http://www.fnsyus.com), 14 days in advance as well as the Minutes of Annual General Meeting.

From the aforementioned, the Company placed all reference information as follows;

Details	From <a href="http://www.fnsyrus.com">www.fnsyrus.com</a>
1) Shareholder rights	Corporate Governance Policy
2) Agenda details	Shareholders Meeting Invitation Letter
3) Rights to raise questions of shareholders	Minutes of Shareholders Meeting
4) List of Directors attending the meeting	

## 2. Equitable Treatment of Shareholders

### 2.1 Equal treatment

- In case of absence, shareholders may use proxy to entitle an individual to attend the meeting on his/her behalf. The proxy will be sent along with meeting agendas to shareholders in advance.
- Independent Directors can be delegated to vote on behalf of shareholders.  
In case of absence, shareholders may use proxy to entitle independent director to vote on his/her behalf.

### 2.2 Rights to Minority Shareholders

Minority shareholders have the rights to propose any agendas for the meeting and nominate directorial candidates.

### 2.3 Preventive measure for Insider Trading

The Company has preventive measure for insider trading as well as others seeking to use inside information for their own benefits as follows;

- The management related to the Company's unpublished financial data and statements are not allowed to trade from the specific date set by the Company to the date the Company publish the information. As for the Directors, they are not allowed to trade from the date that the Directors receive quarterly or monthly financial statements before publishing to the public.
- The prohibition of the trading any shares in case the Company has gained access to inside information of an issuer company for a period of 3 days from the day of the announcement that such shares were added to the prohibited list.

In 2015, all directors and management strictly complied such rules and there was no knowledge of insider trading during the year.

### 3. The Role of Stakeholders

The Company encourages collaboration with stakeholders and allows them the sufficient amount of information and rights. Details of various groups of stakeholders and rights are as follows;

#### 3.1 Shareholder

The Company operates business to reach clients' satisfaction and for the benefit of the long-term shareholders and also discloses sufficient information with accurate and reliable data. Each shareholder has equal rights to vote. The right will be omitted on those having conflict of interest in the agenda, except for nomination of director.

#### 3.2 Employee

- The Company gives equal and fair treatment to each employee and ensures that they are entitled to reasonable welfare, security, and rights.
- The Company ensures that every employee is given proper training in order to gain more knowledge and the ability to perform their task more efficiently.
- The Company values team work and promotes good attitude toward the Company.

#### 3.3 Client

- The Company provides equal and fair treatment to each client.
- The Company provides disclose sufficient information to clients.
- The Company takes confidentiality critically. Clients' information is treated with care. Moreover, the Company has a reliable custody of clients' assets system to prevent the disclosure of the clients' information.

#### 3.4 Partners and Creditors

The Company fairly treats partners and creditors; however, it complies with conditions stated in business agreement. The Company treats its partners and creditors with moral and without swindle.

#### 3.5 Competitors

- The Company acknowledges the importance of its competitors' actions in order to promote a healthy competition under the rules set by the authorities.
- The Company has no policy to destroy its competitors, but rather to develop itself into a strong company so that it can compete with the competitors in the market.
- The company treats its competitors in a way that is in line with international standards which complies with the Trade Competition Act. In the past year, the Company strictly followed the business ethics and never entered into any disputes with its competitors.

### 3.6 Community

The Company has policy to help community in order to create society consciousness to the employees such as donation to charity with the purpose of helping vulnerable group and/or those who suffered from the flood. Moreover, the Company organizes training to students and investors.

### 3.7 Environment

The Company sees the important of the environment and encourages employees to reduce the use of electricity within the offices such as switching off the unused lights and office equipment, applying electronic system to perform work instead of using paper and also reusing paper.

### 3.8 Tips and Complaints

The Company assigns Compliance Department to handle tips and complaints from shareholders and clients. Tips and complaints can be sent to the 4 following channels;

- By mail  
Compliance Department  
Finansia Syrus Securities Public Company Limited  
18<sup>th</sup>, 25<sup>th</sup> Floor, The Offices at Central World  
999/9 Rama 1 Road, Pathumwan, Bangkok 10310
- By phone: 0-2658-9001-8  
By fax: 0-2658-9009
- By E-mail: [compliance@fnsyrus.com](mailto:compliance@fnsyrus.com)
- By Website: [www.fnsyrus.com](http://www.fnsyrus.com)

## 4. Disclosure and Transparency

The Company emphasizes on disclosing sufficient information both financial and non-financial related as well as other related information to show transparency of the Company's operation. The Company promotes transparency in accordance to SEC and SET rules and regulations by preparing and publishing the following reports;

### 4.1 Annual Report and 56-1 Form

The Company has prepared 56-1 Form and Annual Report to submit to SEC and SET via online to the SET and true copy to SEC.

### 4.2 Financial Statement and report on transaction with possible conflict of interest

The Company discloses transaction with possible conflict of interest via the following channels;

- Via SET Community Portal (SCP) to SET and SEC
- Publish on newspaper



- Post as announcement at Head Office and all branches
- Via [www.fnsyprus.com](http://www.fnsyprus.com)

## 5. Responsibilities of The Board of Directors

### 5.1 Independent of the Board of Directors

#### a) Independent Directors

The Company specifies clearly that independent directors have absolute independence from the management. Independent directors are free to give unbiased opinions and will not be under any parties influence as well as any circumstances that will manipulate their judgements.

#### b) Role and Duty

All directors realize their roles and duties where they shall act with honesty to deserve trust from shareholders.

### 5.2 Directors Suitability

#### a) Qualification–Skill, Experience and Talent

The Company specifies skill, experience and talent of each director clearly.

#### b) Dedication

In 2015, the Company's directors dedicated time and effort to attend all meetings as scheduled.

### 5.3 Transparent Directors selecting process

The Company notified the election of directors on the Company's website in order to let shareholders nominate appropriate persons for the directors' position. Besides, the Company allows shareholders to vote for any independent directors and directors whose term ended and were re-nominated.

### 5.4 Efficiency of the Directors

#### a) Policy Setting

Shareholders invest in the Company with the purpose of seeking return on investment, directors is entrusted to take part in setting direction, goal, policy and budget as well as strategy for the Company along with the management.

#### b) Sub Committee

The Company has set up sub-committees to carry out some tasks as delegated by directors for the most efficient management; however, directors are responsible to supervise and ensure that such delegation is achieved and within the boundary delegated.

In 2015, the Company has set up 9 sub-committees including Audit Committee, Remuneration Committee, Executive Committee, Risk Management Committee, Management Committee, Investment Committee, Damage Examination Committee, Complaint Consideration Committee and Information Technology Security Committee.

c) Directors' meeting

In 2015, the Company scheduled the Board of Directors and Audit Committee Meeting as follows;

(1) Board of Directors

Board of Directors carried out as a monthly meeting or the total of 12 meetings. The followings are summaries of the meeting attendance.

Full Name	No. of Attendances /Total meeting
1. Mr. Chatchaval Jiaravanon	11/12
2. Mr. Varah Sucharitakul	9/12
3. Mr. Chuangchai Nawongs	12/12
4. Mr. Somphop Keerasuntonpong	10/12
5. Mrs. Pornpring Suksantisuwan	12/12
6. Mr. Som Pisarnsopon	1/1
7. Pol.Lt.Gen. Visanu Prasattongsoth	10/12
8. Mr. Phaiboon Siripanoosatien	11/12
9. Mr. Kittisak Bencharit	11/12

Remark: Some directors were absent from the meeting due to having meeting overseas.

\* Appointed Mr. Som Pisarnsopon, effective from November 30<sup>th</sup>, 2015, to replace resigned director, Mr. Zhigang Li, effective from November 6<sup>th</sup>, 2015.

(2) Audit Committee

Audit Committee normally carried out as a monthly meeting. During 2015, there were 2 additional meeting to be considered in September and October 2015, totaling of 14 meetings. The followings are summaries of the meeting attendance;

Full Name	No. of Attendances/Total meeting
1. Pol.Lt.Gen. Visanu Prasattongsoth	10/14
2. Mr. Phaiboon Siripanoosatien	13/14
3. Mr. Kittisak Bencharit	13/14

## Preventive Measure for Insider Trading

The Company has preventive measure for insider trading as well as others seeking to use inside information for their own benefits as follows:

1. The management related to the Company's unpublished financial data and statements are not allowed to trade from the specific date set by the Company to the date the Company publish the information. As for the directors, they are not allowed to trade from the date that the directors receive quarterly or monthly financial statements before publishing to the public.

2. The prohibition of the trading any shares in case the Company has gained access to inside information of an issuer company for a period of 3 days from the day of the announcement that such shares were added to the prohibited list.

In case that the directors and management not comply with the preventive measure above, the Company will determine the punishment according to the Company's regulations.

In 2015, all directors and management strictly complied such rules and there was no knowledge of insider trading during the year.

## The Development of Directors and Executives

The Company sees the importance of training, directors and executives need to attend training course as recommended by SEC. The purpose of the training is for directors and executives to carry out their duties efficiently and in compliance with good corporate governance.

The Company has become member of Thai Institute of Directors (IOD) for the purposes of receiving necessary information and update on programs.

The class attendance can be summarized as follows;

Full Name	Training Courses							
	DCP	DAP	ACP	AACP	FND	SFE	HRP	CGI
1. Mr. Chatchaval Jiaravanon	-	2008	-		-	-	-	-
2. Mr. Varah Sucharitakul	2002	-	-		-	-	-	-
3. Mr. Chuangchai Nawongs	-	2004	-		-	-	-	2015
4. Mr. Somphop Keerasuntonpong	-	2004	-		-	-	-	2015
5. Mrs. Pornpring Suksantisuwan	2008	2005	-		-	-	-	2015
6. Mr. Som Pisarnsopon	-	-	-		-	-	-	-

Full Name	Training Courses							
	DCP	DAP	ACP	AACP	FND	SFE	HRP	CGI
7. Pol.Lt.Gen. Visanu Prasattongosoth	-	2004	2005	2015	2005	-	-	2015
8. Mr. Phaiboon Siripanoosathien	2008	-	2009		-	2011	2013	2015
9. Mr. Kittisak Bencharit	2006	-	2010	2015	-	-	-	2014

**Remark:**

DCP: Director Certification Program

DAP: Director Accreditation Program

ACP: Audit Committee and Continuing Development Program

AACP: Audit Committee and Continuing Development Program (Audit Committee Program)

FND: Finance for Non finance Director Program

SFE: Successful Formulation &Execution of Strategy

HRP: How to Develop a Risk Management Plan

CGI: Corporate Governance for Capital Market Intermediaries

# SHAREHOLDER'S STRUCTURE AND MANAGEMENT

The Management Structure of the Company consists of Board of Directors and 9 sub-committees including Audit Committee, Remuneration Committee, Executive Committee, Risk Management Committee, Management Committee, Investment Committee, Damage Examination Committee, Complaint Consideration Committee and Information Technology Security Committee.

## Board of Directors

As of December 31<sup>st</sup>, 2015, the Board of Directors consisted of 9 directors of which 3 of them acted as Independent Directors as follows:

### 1. Mr. Chatchaval Jiaravanon

Position	<ul style="list-style-type: none"> <li>Chairman and Executive, Finansia Syrus Securities Pcl.</li> </ul>
Age	<ul style="list-style-type: none"> <li>53 years</li> </ul>
Educational Background/Credentials	<ul style="list-style-type: none"> <li>Bachelor's degree of Business Administration, University of Southern California, USA</li> <li>Director Accreditation Program (DAP) 71/2008, Thai Institute of Director (IOD)</li> <li>Executive Course (9), Capital Market Academy The Stock Exchange of Thailand</li> </ul>
Other Current Position	<ul style="list-style-type: none"> <li>Chairman (Authorized), Finansia Syrus Securities Pcl.</li> <li>Director, True Visions Group Co., Ltd.</li> <li>Director, True Universal Convergence Co., Ltd.</li> <li>Member of the Chairman Assistant Committee, Chareon Pokphand Group Co.,Ltd</li> <li>Director and Member of the Audit Committee, Ticon Industrail Connection Plc.</li> <li>Director, Aeon Thanasinsap (Thailand) Plc.</li> <li>Managing Director &amp; Chief Executive Officer, Telecom Holding Co., Ltd.</li> <li>Chief Executive Officer, True Multimedia Co.,Ltd</li> <li>Director,True Corporation Pcl.</li> </ul>

No. of Director Position	<ul style="list-style-type: none"> <li>▪ Listed Company 4 Companies</li> <li>▪ Non-Listed Company 5 Companies</li> </ul>
Experience	<ul style="list-style-type: none"> <li>▪ Director, True Vision Co., Ltd</li> <li>▪ Chairman, ACL Securities Co., Ltd.</li> <li>▪ Chairman, Metro Star Property Plc.</li> </ul>
% of Shareholding as of December 31 <sup>st</sup> , 2015	<ul style="list-style-type: none"> <li>▪ None</li> </ul>

## 2. Mr. Varah Sucharitakul

Position	<ul style="list-style-type: none"> <li>▪ Deputy Chairman of the Board, Finansia Syrus Securities Pcl.</li> </ul>
Age	<ul style="list-style-type: none"> <li>▪ 51 years</li> </ul>
Educational Background/Credentials	<ul style="list-style-type: none"> <li>▪ Master of Business Administration, University of New Hampshire, USA</li> <li>▪ Director Certification Program (DCP) 21/2002, Thai Institute of Director(IOD)</li> </ul>
Other Current Position	<ul style="list-style-type: none"> <li>▪ Director, Finansia Syrus Securities Pcl.</li> <li>▪ Director, SBI Royal Securities Pcl. Phnom Penh, Cambodia</li> <li>▪ Chairman, SBI Thai Online Securities Co., Ltd.</li> <li>▪ Executive Director, Finansia Securities Co., Ltd.</li> <li>▪ Director, Finansia Capital Co.,Ltd</li> <li>▪ Executive Director, Finansia Plc.</li> </ul>
No. of Director Position	<ul style="list-style-type: none"> <li>▪ Listed Company 2 Companies</li> <li>▪ Non-Listed Company 4 Companies</li> </ul>
Experience	<ul style="list-style-type: none"> <li>▪ Chairman of Executive Committee, Finansia Syrus Securities Pcl.</li> <li>▪ Executive Director, Thai International Plc.</li> <li>▪ Zoning Commission, Department of Public Work and Town &amp; Country Planning</li> <li>▪ Excutive Director, Finansia Securities Co.,Ltd.</li> </ul>
% of Shareholding as of December 31 <sup>st</sup> , 2015	<ul style="list-style-type: none"> <li>▪ None</li> </ul>

## 3. Mr. Chuangchai Nawongs

Position	<ul style="list-style-type: none"> <li>▪ Chief Executive Officer, Finansia Syrus Securities Pcl.</li> </ul>
----------	---

Age	<ul style="list-style-type: none"> <li>54 years</li> </ul>
Educational Background/Credentials	<ul style="list-style-type: none"> <li>Master of Business Administration, Bangkok University</li> <li>Director Accreditation Program (DAP) 23/2004</li> <li>Corporate Governance for Capital Market Intermediaries (CGI) 2/2015, Thai Institute of Director(IOD)</li> </ul>
Other Current Position	<ul style="list-style-type: none"> <li>Director (Authorized), Finansia Syrus Securities Pcl.</li> <li>Director, SBI Royal Securities Pcl., Phnom Penh, Cambodia</li> <li>Director, FSS International Investment Advisory Securities Co.,Ltd.</li> </ul>
No. of Director Position	<ul style="list-style-type: none"> <li>Listed Company 1 Company</li> <li>Non-Listed Company 2 Companies</li> </ul>
Experience	<ul style="list-style-type: none"> <li>Director, ACL Securities Co., Ltd.</li> <li>Chief Executive, Finansia Securities Co.,Ltd.</li> </ul>
% of Shareholding as of December 31 <sup>st</sup> , 2015	<ul style="list-style-type: none"> <li>None</li> </ul>

#### 4. Mr. Somphop Keerasuntonpong

Position	<ul style="list-style-type: none"> <li>President, Finansia Syrus Securities Pcl.</li> </ul>
Age	<ul style="list-style-type: none"> <li>48 years</li> </ul>
Educational Background/Credentials	<ul style="list-style-type: none"> <li>MBA General Administration, Pittsburg State University, USA</li> <li>Director Accreditation Program (DAP) 16/2004</li> <li>Corporate Governance for Capital Market Intermediaries (CGI) 3/2015, Thai Institute of Director (IOD)</li> <li>Executive Course (9), Capital Market Academy The Stock Exchange of Thailand</li> </ul>
Other Current Position	<ul style="list-style-type: none"> <li>Director (Authorized), Finansia Syrus Securities Pcl.</li> </ul>
No. of Director Position	<ul style="list-style-type: none"> <li>Listed Company 1 Company</li> </ul>



Experience	<ul style="list-style-type: none"> <li>■ Non-Listed Company - Company</li> </ul>
% of Shareholding as of	<ul style="list-style-type: none"> <li>■ President, Syrus Securities Pcl.</li> </ul>
December 31 <sup>st</sup> , 2015	<ul style="list-style-type: none"> <li>■ None</li> </ul>

#### 5 . Mrs. Pornpring Suksantisuwan

Position	<ul style="list-style-type: none"> <li>■ President, Finansia Syrus Securities Pcl.</li> </ul>
Age	<ul style="list-style-type: none"> <li>■ 58 years</li> </ul>
Educational Background/Credentials	<ul style="list-style-type: none"> <li>■ Master of Business Administration, American University of Human Sciences</li> <li>■ Bachelor of Accountancy, Chulalongkorn University</li> <li>■ Director Accreditation Program ( DAP) 48/2005</li> <li>■ Director Certification Program (DCP) 105/2008</li> <li>■ Corporate Governance forCapital Market Intermediaries Class 2/2015, Thai Institute of Director (IOD)</li> <li>■ Executive Course (7), Capital Market Academy The Stock Exchange of Thailand</li> </ul>
Other Current Position	<ul style="list-style-type: none"> <li>■ Director (Authorized), Finansia Syrus Securities Plc.</li> <li>■ Director, SBI Thai Online Securities Co., Ltd.</li> <li>■ Director, FSS International Investment Advisory Securities Co., Ltd.</li> <li>■ Sub-committee of Securities Investor Protection Fund, Securities Investor Protection Fund or SIPF</li> <li>■ Sub-committee of Derivatives Investor Protection Fund, Derivatives Investor Protection Fund or DIPF</li> </ul>
No. of Director Position	<ul style="list-style-type: none"> <li>■ Listed Company 1 Company</li> <li>■ Non-Listed Company 2 Companies</li> </ul>
Experience	<ul style="list-style-type: none"> <li>■ Director and Chief Executive Officer, ACL Securities Co., Ltd.</li> <li>■ Director, SBI Royal Securities Pcl., Phnom Penh, Cambodia</li> </ul>
% of Shareholding as of	<ul style="list-style-type: none"> <li>■ None</li> </ul>
December 31 <sup>st</sup> , 2015	

## 6. Mr. Zhigang Li

Remark: The resignation was effective on November 6<sup>th</sup>, 2015.

Position	■ Director, Finansia Syrus Securities Pcl.
Age	■ 42 years
Educational Background/Credentials	■ PhD - Economics, Renmin University, P.R. China
Other Current Position	■ Chief Executive Officer/Authorized Director/Chairman of the Management Committee/Member of Executive Committee, Industrial and Commercial Bank of China (Thai) Public Company Limited
No. of Director Position	■ Listed Company 1 Company ■ Non-Listed Company 1 Company
Experience	■ Deputy General Manager of Corporate Strategy and IR Dept., Industrial and Commercial Bank of China Limited, H.O. ■ Deputy CEO, ICBC (Macau)
% of Shareholding as of December 31 <sup>st</sup> , 2015	■ None

## 7. Mr. Som Pisarnsopon

Remark: Appointed Mr. Som Pisarnsopon, effective from November 30<sup>th</sup>, 2015, to replace the resigned Director, Mr. Zhigang Li, effective from November 6<sup>th</sup>, 2015.

Position	■ Director, Finansia Syrus Securities Pcl.
Age	■ 51 years
Educational Background/Credentials	■ MS, Industrial Administration, Carnegie-Mellon University, USA
Other Current Position	■ Director, ICBC (Thai) Leasing Company Limited ■ Executive Vice President, Finance & Strategy Division, Industrial and Commercial Bank of China (Thai) Public Company Limited
No. of Director Position	■ Listed Company 1 Company ■ Non-Listed Company 2 Companies
Experience	■ Senior Vice President, Finance & Strategy Division Industrial and Commercial Bank of China (Thai) Public Company Limited

	<ul style="list-style-type: none"> <li>■ Senior Vice President, Strategy and Planning Department, Industrial and Commercial Bank of China (Thai) Public Company Limited</li> <li>■ Director, ACL Securities Company Limited</li> <li>■ None</li> </ul>
% of Shareholding as of December 31 <sup>st</sup> , 2015	

#### 8. Pol.Lt.Gen. Visanu Prasattongosoth

Position	<ul style="list-style-type: none"> <li>■ Independent Director, Finansia Syrus Securities Pcl.</li> </ul>
Age	<ul style="list-style-type: none"> <li>■ 53 years</li> </ul>
Educational Background/Credentials	<ul style="list-style-type: none"> <li>■ Master of Business Administration, University of San Francisco, USA</li> <li>■ Master of Political Science, Sukhothai Thammathirat Open University</li> <li>■ Director Accreditation Program (DAP) 11/2004</li> <li>■ Audit Committee Program (ACP) 7/2005</li> <li>■ Financial Statement for Director (FND) 19/2005</li> <li>■ Advanced Audit Committee Program (AACP) 21/2015</li> <li>■ Corporate Governance for Capital Market Intermediaries (CGI) 3/2015, Thai Institute of Director (IOD)</li> <li>■ Executive Course (2), Capital Market Academy The Stock Exchange of Thailand</li> </ul>
Other Current Position	<ul style="list-style-type: none"> <li>■ Chairman of the Audit Committee, Finansia Syrus Securities Pcl.</li> <li>■ Independent Director, SBI Thai Online Securities Co., Ltd.</li> <li>■ Commissioner, Office of Human Resources, The Royal Thai Police</li> <li>■ Executive Committee, GEO-Informatics and Space Technology Development Agency (Public Organization) Ministry of Science and Technology</li> </ul>

No. of Director Position	<ul style="list-style-type: none"> <li>▪ Director, Thai Co Poly Industry Co.,Ltd</li> <li>▪ Director, Bangkok Airways Co., Ltd.</li> <li>▪ Listed Company 2 Companies</li> <li>▪ Non-Listed Company 2 Companies</li> <li>▪ Government Agency 2 Agencies</li> </ul>
Experience	<ul style="list-style-type: none"> <li>▪ Commissioner, Office of Information and Communication Technology</li> <li>▪ Deputy Senior Inspector General, Office of Inspector General, The Royal Thai Police</li> <li>▪ Deputy Commissioner, Office of Human Resources, The Royal Thai Police</li> <li>▪ Deputy Commissioner, Immigration Office, The Royal Thai Police</li> <li>▪ Director and Chairman of the Audit Committee, ACL Securities Co.,Ltd</li> <li>▪ Commander, Immigration Division 2, The Royal Thai Police</li> </ul>
% of Shareholding as of December 31 <sup>st</sup> , 2015	<ul style="list-style-type: none"> <li>▪ 3,655,614shares or 0.63% of paid up shares (unchanged)</li> </ul>

## 9. Mr. Phaiboon Siripanoosatien

Position	<ul style="list-style-type: none"> <li>▪ Independent Director and Audit Committee, Finansia Syrus Securities Pcl.</li> </ul>
Age	<ul style="list-style-type: none"> <li>▪ 52 years</li> </ul>
Educational Background/Credentials	<ul style="list-style-type: none"> <li>▪ Master of Political Science, Sukhothai Thammathirat Open University</li> <li>▪ Director Certificate Program (DCP) 105/2008</li> <li>▪ Audit Committee Program (ACP) 28/2009</li> <li>▪ Successful Formulation Executive of Strategy (SFE)13/2011</li> <li>▪ How to Develop a Risk Management Plan (HRP) 4/2013</li> <li>▪ Corporate Governance for Capital Market Intermediaries (CGI) 5/2015, Thai Institute of Director (IOD)</li> </ul>

Other Current Position	<ul style="list-style-type: none"> <li>Director, Provincial Electricity Authority</li> <li>Executive Director, GEO-Informatics and Space Technology Development Agency (Public Organization) Ministry of science and Technology</li> </ul>
No. of Director Position	<ul style="list-style-type: none"> <li>Listed Company 1 Company</li> <li>Non-Listed Company - Company</li> <li>Government Agency 2 Agencies</li> </ul>
Experience	<ul style="list-style-type: none"> <li>Executive Director, Office of SMEs Promotion (OSMEP), Ministry of Industry</li> <li>Director and Audit Committee, ACL Securities Co., Ltd.</li> <li>Director, Government Savings Bank</li> <li>Director, Electricity Generating Pcl.</li> <li>Director, Trinity Plus Co., Ltd.</li> </ul>
% of Shareholding as of December 31 <sup>st</sup> , 2015	<ul style="list-style-type: none"> <li>None</li> </ul>

#### 10. Mr. Kittisak Bencharit

Position	<ul style="list-style-type: none"> <li>Independent Director and Audit Committee, Finansia Syrus Securities Pcl.</li> </ul>
Age	<ul style="list-style-type: none"> <li>66 years</li> </ul>
Educational Background/Credentials	<ul style="list-style-type: none"> <li>Bachelor of Economics, University of Wisconsin, USA</li> <li>Director Certificate Program (DCP) 70/2006</li> <li>Audit Committee Program (ACP) 32/2010</li> <li>Corporate Governance for Capital Market Intermediaries (CGI) 0/2014</li> <li>Advanced Audit Committee Program (AAP) 19/2015, Thai Institute of Director (IOD)</li> </ul>
Other Current Position	<ul style="list-style-type: none"> <li>Independent Director and Audit Committee, Thonburi Medical Centre Pcl.</li> </ul>

	<ul style="list-style-type: none"> <li>Independent Director and Audit Committee, Exotic Food Pcl.</li> <li>Advisor to Group CEO and Director, Premier Fission Capital Co., Ltd. Premier Enterprise Pcl.</li> </ul>
No. of Director Position	<ul style="list-style-type: none"> <li>Listed Company 4 Companies</li> <li>Non-Listed Company - Company</li> </ul>
Experience	<ul style="list-style-type: none"> <li>Director and Audit Committee, ACL Securities Co.,Ltd.</li> </ul>
% of Shareholding as of December 31 <sup>st</sup> , 2015	<ul style="list-style-type: none"> <li>None</li> </ul>

\* The shareholding includes the share held by spouse or minor children

\* In 2016, the Director who is going to take course for Corporate Governance for Capital Market arranged by IOD is Mr. Som Pisarnsopon.

#### Authorized Directors

The authorized directors consist of Mr. Somphop Keerasuntonpong, Mrs. Pornpring Suksantisuwan, Mr. Chuangchai Nawongs and Mr. Chatchaval Jiaravanon, of which 2 of 4 co-sign with company seal.

#### Scope of Duties and Responsibilities of the Board of Directors

1. To manage the Company in accordance to laws, objectives, the article of association of the Company and the resolutions of the shareholders' meetings with honesty, integrity and business ethics and care for the best interests of the Company and the shareholders;
2. To set policies, goals and directions for the Company's business plan and budget to govern the administration of the Directors Committee to be in accordance with policy as well as to ensure that the Company has efficient and effective internal control system and determination;
3. To appoint directors to become member of the Director Committee, the appointed directors shall be responsible for the Company's administration as deemed by the Board of Directors; to appoint one director as Chairman of Executive Committee, and another one as Chief Executive Officer. In addition, the Board of Directors shall assign any director/directors or any person to perform a task on behalf of the Board of Directors.
4. To be responsible for the preparation of balance sheet and profit and loss statement as of the end of the accounting period for the Company and to ensure that such reports are accurate and reflect the true status of the Company as well as are in compliance with the general accepted accounting principle which shall be audited by the Company's auditor in order to propose to the shareholders' meeting for consideration and approval;

5. To emphasize on the importance of investor relation and ensure that the Company discloses appropriate and sufficient amount of information in accordance to the SET rules and regulations;
6. To appoint other person as deemed appropriate to manage the Company under the guidance of Board of Directors or President, such authorization given can be revoked or altered at all time. However, such authorization shall not be granted to those who have conflict of interest or could gain interest on the Company or subsidiaries. Such person will be appointed by Board of Directors with presence of independent directors.
7. To study and approve the proposal prepared by the Executive Committee for Shareholders' meeting on issues; such as capital increase, capital decrease, issuance of debenture, sales or disposition of some or entire part of the Company, purchase or acquire some or entire part of other entities, the alteration of the memorandum of association and the articles of association, and director's remuneration.
8. To consider and approve client's trading limit and operational expenses of the Company as specified by its approval authority, as well as trading limits that exceeds the approved authority of other committees and/or CEO. In cases of emergency and/or business necessity, a request for approval may be submitted to the related department for circulated approval and such approval are to be presented for acknowledgement to the Company's Board of Directors at the next meeting. However, in cases where the Company's Board of Directors has specified the operational framework and has approved operations in cases of urgency, it is required that such cases be ratified by the Company's Board of Directors at the next meeting.

The Company's structure of directors has been audited and balanced appropriately. The Board of Directors will appoint the Audit Committee consisting of at least 3 persons from the independent directors. These directors must be qualified by SET and the all rules and/or regulations of SET. At least 1 person of the Audit Committee must be knowledgeable and have experience in auditing the Company's financial statements.

#### Appointment of the Directors

Although there is no nomination committee to appoint any person to be the Company's directors, the Company has the policy to recruit and select individuals who can be beneficial to the Company's business. The Company has to consider several factors such as knowledge and experience related to business, etc. The criteria for the appointment and dismissal of directors are as follows;

1. The Company's Directors consists of at least 5 persons but no more than 11 persons, where by not less than half of the directors must reside in Thailand and all directors must be qualified in accordance with those stipulated in Public Company Act and the Securities and Exchange Act; however, the directors either are a shareholder or a non-shareholder of the Company;
2. The shareholders' meeting selects directors according to the guidelines as follows;
  - Each shareholder is entitled to 1 share for 1 vote.

- Each shareholder may use all his/her votes to elect one or more than one person as directors but must allocate equal weight to such directors.
  - Individuals receiving the most votes equally the desired number shall become directors. In case there is a tie resulting in an excessive number of directors, the Chairman shall have the last vote.
3. In the Annual General Meeting, one-third of the directors must retire from the position. If the total number of directors is not divisible by 3, the number of directors that is nearest to one-third must resign. A lucky draw method is used to select the directors to resign during the first and second years after the listing. For the following period, the directors who have served the longest term must resign. Directors whose terms have ended may be re-elected.
  4. The shareholders' meeting may pass resolution to request any director to resign prior to the end of his/her term with no less than 3 out of 4 votes from the total number of shareholders presenting and having the right to vote as long as the number of share is not less than half of the total number of shares of the shareholders presenting and having the right to vote.
  5. In case of vacancy from retirement by rotation, the Board of Directors shall appoint a person who is qualified and not prohibited by the Public Company Act and the Securities and Exchange Act, to be the director during the next Board of Directors meeting, unless the remaining term of the previous director is less than 2 months, in which case the replacing director may only hold the position of directorship for a period that equals to the remaining term. The resolution of the Board of Directors shall consist of not less than 3 out of 4 votes of the other directors.

### Determining the Tenure of Directors

The Company has a policy to determine the number of terms that a director may serve for as long as following; "The term of directors should not exceed three consecutive terms; however, a director having the right to be in the office longer than that shall be considered based on his/her performance and duties to the shareholders".

## Company Secretary

### 1. Mrs. Penporn Apirukloasakul

Remark: appointed by BOD on October 21<sup>st</sup>, 2009 to September 30<sup>th</sup>, 2015

#### Educational Background/Credentials

- Bachelor of Accounting,  
Chulalongkorn University
- Director Certificate Program (DCP) 13/2001
- Company Secretary Program (CSP) 37/2010
- Effective Minute Taking (EMT) 18/2010,  
Thai Institute of Director (IOD)



## Experience

- Senior Executive Vice President,  
ACL Securities Co., Ltd.

## 2. Ms. Phatra Kanchanapraphat

Remark: appointed by BOD on October 1<sup>st</sup>, 2015 to Present

### Educational Background/Credentials

- Master of Business Administration,  
National Institute of Development Administration
- Financial Advisors Course,  
Association of Thai Securities Companies
- Successful Formulation and Execution Strategy Course  
(SFE) 25/2015
- Company Secretary Program Course (CSP) 68/2016
- Board Reporting Program (BRP) 19/2016
- Effective Minute Taking (EMT) 34/2016
- Company Reporting Program (CRP) 14/2016,  
Thai Institute of Director (IOD)

### Experience

- Vice President, Corporate Finance Department,  
ACL Securities Co., Ltd.

The Company's Board of Directors has approved and appointed Miss Phatra Kanchanapraphat to serve as Company Secretary. She is knowledgeable in business and finance and understands the legal criteria for registered companies because of her previous work experience. The Company's Board of Directors considers that she is the appropriate person to work effectively to the highest benefit of the Company in the role of Secretary.

### Responsibilities of the Secretary

1. Establish and maintain the following documents;
  - Register of Directors
  - Board of Directors Meeting Invitation Letter, Minutes of the Board of Directors Meeting and the Company's Annual Report
  - Annual General Meeting Shareholders Invitation Letter and Minutes of Shareholders Meeting
2. Keep report of the directors and management's information
3. Perform any duties according to Capital Market Supervisory Board
4. Perform any tasks assigned by the Company

## Audit Committee

As at December 31<sup>st</sup>, 2015 the Committee consists of 3 persons as follows;

Full Name	Position
1. Pol.Lt.Gen. Visanu Prasattongosoth	Independent Director and Chairman of Audit Committee
2. Mr. Phaiboon Siripanoosatien	Independent Director and Member of Audit Committee
3. Mr. Kittisak Bencharit	Independent Director and Member of Audit Committee

Mr. Phaiboon Siripanoosatien and Mr. Kittisak Bancharit are knowledgeable and experienced in auditing the Company's financial statements. Mrs. Nawarat Santikul is the secretary of Audit Committee.

### Scope of duties and responsibilities of Audit Committee

1. To examine the Company's financial statements and certify that they are accurate and sufficient;
2. To review efficiency and appropriateness of the Company's Internal Control System and Internal Audit;
3. To review and ensure that the Company complies with the Securities Exchange Act, Thailand Futures Exchange and any other related notifications, rules and regulations.
4. To consider, select, and nominate auditor as well as suggest the auditor remuneration scheme;
5. To consider and ensure that sufficient and complete information is disclosed on the related transaction or any transaction that may cause conflict of interest;
6. To verify the corporate governance report prepared by audit committee for annual report by the Chairman;
7. To perform any duty as delegated by Board of Directors but agreed by Audit Committee.

### Appointment of the Audit Committee

Board of Directors will appoint the Audit Committee consisting of at least 3 persons appointed by the independent directors and they must be qualified by SEC, including all rules and/or regulations of SET. At least 1 person of the Audit Committee must be knowledgeable of the Company's financial statements.

### Appointment of Independent Directors

Independent Director means a director who has no business involved to the management or has interest in other financial institutions that may affect their independent judgment. Their qualification must be qualified by the Capital Market Supervisory Board No. Tor. Jor. 28/2008. Re: Application for and Approval of Offer for Sale of Newly Issued Shares dated December 15<sup>th</sup>, 2008 as follows:

The Board of Directors shall consider the qualifications of the individuals for the position of the independent director by adhering to the criteria and considering prohibited characteristics of such person prior to presenting to the shareholder's meeting.

### Criteria for the Selection of Independent Directors

1. The Company shall select independent directors who are fully qualified and not disqualified by the Public Company Act and the Securities Exchange Act, Thailand Futures Exchange, the notifications of SEC and/or any other related notifications, rules and regulations.
2. The Company shall recruit persons who have expertise, knowledgeable and experienced in various fields so that they are able to assist the Board of Directors on various issues.

### Qualifications of Independent Directors

The independent directors must have the qualifications required by SEC as below.

1. The independent director must not hold the share exceeding 1 percent of the total shares with voting rights of the applicant, its parent company, subsidiary company, associate company, major shareholder or authorized person of the applicant, including shares held by related persons of the independent director;
2. The independent director must not be or used to be the executive director or used to be the director, employee, staff or advisor receiving salary or the authorized person of the applicant, its parent company, subsidiary company, associate company, same-level subsidiary company, juristic person who may create conflict of interests, unless he/she has no longer been in such a position for two years or more when submitting her/his request for permission to the Office of the Securities and Exchange Commission of Thailand.
3. The independent director has no relationship by blood or legal registration as father, mother, spouse, sibling and child, including spouse of child, executive, major shareholder, authorized person or person to be nominated as executive or authorized person of the applicant or its subsidiary company;
4. The independent director has no relationship in terms of business with the applicant, its parent company, subsidiary company, associate company or juristic person who may create conflict of interests that could interfere with their independent judgment as well as not be or used to be a shareholder, Director (not Independent Director) or executive of any person having a business relationship with the applicant, its parent company, subsidiary company, associate company, juristic person who may create conflict of interests unless the foregoing relationship has ended not less than 2 years prior to the date of filling an application with the office of the Securities and Exchange Commission of Thailand.

The term "Business relationship" according to Paragraph 1 includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or granting or receiving of financial assistance through receiving or extending loans, guarantee, providing assets as collateral and any similar actions resulting in the applicant of 3 percent or more of the net tangible assets of the applicant or Baht 20 million or more which is lower. The amount of such indebtedness shall be calculated according to the method for calculation of value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transaction. The consideration of

such indebtedness shall include indebtedness occurred during the period of one year prior to the date on which the business relationship with the person commences;

5. The independent director must not be or used to be an auditor of the Company, its parent company, subsidiary company, associate company, juristic person who may create conflict of interests, shareholder, a Director who is not an Independent Director, management or a partner of the manager of the auditing office where the auditor of the Company, the parent company, subsidiary company, the affiliated companies or any juristic person who may create conflict of interests, excepting when the person has not been in such a position for two years or more before submitting his/her request for permission to the Office of the Securities and Exchange Commission of Thailand.
6. The independent director must not be or used to be a provider of any professional services including legal or financial advisors receiving service fee exceeding Baht 2 million per year from the applicant, its parent company, subsidiary company, associate company, or juristic person who may create conflict of interests in cases where the service provider is a juristic person. This extends to include major shareholders, a Director who is not an Independent Director, management, a partner and a manager of that professional service provider, except when the person has not been in that position for two years or more before submitting his/her request for permission to the Office of the Securities and Exchange Commission of Thailand.
7. The independent director must not be a director appointed as a representative of directors of the applicant, major shareholder or shareholder related to the major shareholder.
8. The independent director has no characteristics causing the inability to express independent opinions regarding to the applicant's business operation.

In year 2015, the Company's independent directors have met the requirements of SEC, without having any business relationship or providing professional services to the Company.

## Remuneration Committee

As of December 31<sup>st</sup>, 2015, the Remuneration Committee consisted of 3 persons as follows;

Full Name	Position
1. Mr. Chatchaval Jiaravanon	Chairman of the Committee
2. Pol.Lt.Gen. Visanu Prasattongsoth	Member of the Committee
3. Mr. Varah Sucharitakul	Member of the Committee

---

Mr. Chuangchai Nawongs acts as secretary of the Remuneration Committee

### Scope of Duties and Responsibility of the Remuneration Committee

1. To establish policy regarding remuneration and other benefits that the Company shall pay to directors and management and propose such remuneration scheme to the Board of Directors.
2. To define fair and stipulate remuneration or payment scheme.

3. To consider or adjust the remuneration or payment increment, annual bonus of directors and executive management and propose to Board of Directors.

## Executive Committee

As at December 31<sup>st</sup>, 2015, the Executive Committee consisted of 3 persons as follows;

Full Name	Position
1. Mr. Chuangchai Nawongs	Executive Chairman
2. Mr. Somphop Keerasuntonpong	Director
3. Mrs. Pornpring Suksantisuwan	Director

Mrs. Jareerat Fuengfuskul acts as the secretary of the Executive Committee

### Scope of Duties and Responsibilities of the Executive Committee

1. To consider and establish the Company policy, strategy, goal, operating plan, business plan and annual budget before proposing to the Board of Directors;
2. To govern and ensure that Company operate according to its policies, goals, strategies and operating plans as well as annual budget approved by Board of Directors;
3. To approve the operating expense that is above the Company's approved annual budget or expense limit for management;
4. To approve based on the Company policy of any underwriting transaction or any transaction related Investment Banking service;
5. To appoint or assign any person(s) to perform any duty(s) on behalf of the Executive Committee as deemed appropriate, however, such appointment or assignment can be withdrawn and/or altered at any time;
6. To perform any duties as deemed appropriate by the Board of Directors;

However, such delegation of duties and responsibilities granted by the Executive Committee must not be the delegation or sub-delegation that would enable the Executive Committee and/or authorized person to approve any transactions that may create conflict of interests (according to SET rules and regulations) between the Executive Committee or authorized person. The delegation of duties and responsibilities must be related to transactions with clear stipulation.

## Risk Management Committee

As of December 31<sup>st</sup>, 2015, the Risk Management Committee consisted of 7 persons as follows:

Full Name	Position
1. Mr. Chuangchai Nawongs	Chairman of the Committee
2. Mrs. Pornpring Suksantisuwan	Member of the Committee
3. Mrs. Wimon Lovichit	Member of the Committee

Full Name	Position
4. Ms. Supatra Pattanakijgaroon	Member of the Committee
5. Ms. Kanokwan Prukthammakovit	Member of the Committee
6. Ms. Pawasut Sutjaritwattana	Member of the Committee
7. Brokerage Management*	Member of the Committee

\* Brokerage Management will be reselected every quarter after finishing the terms.

\* Ms. Sakunkarn Odttiwes acts as the secretary of the Risk Management Committee

### Scope of Duties and Responsibilities of the Risk Management Committee

1. To consider and setup the risk management policy covering credit risk, market risk and operation risk;
2. To approve and comment on the relevant issue regarding the risk management policy and to follow up accordingly;
3. To consider and set up the guideline for preventing risk from derivative trading as proposed by risk management department;
4. To approve the credit limit for trading, credit review and process the due diligence at client's credit risk;
5. To consider the solution for problems relating to the equity and derivative trading businesses;
6. To consider and list the marginable securities allowing to trade in credit balance account including to define the additional condition for trading in the high risk securities;
7. To consider the damage occurred due to error transaction and doubtful account;
8. To consider the unusual transactions and suspicious transaction reporting (STR);
9. To perform any duties as deemed appropriate by the Risk Management Committee and/or assigned by Board of Directors.

## Management Committee

As of December 31<sup>st</sup>, 2015, the Management Committee consisted of 19 persons as follows;

Full Name	Position
1. Mr. Chuangchai Nawongs	Chairman of the Committee
2. Mrs. Pornpring Suksantisuwan	Member of the Committee
3. Mr. Kuntra Ladavalya Na Ayudhya	Member of the Committee
4. Mr. Chatchai Chumsiri	Member of the Committee
5. Mr. Chaipayorn Dhammapeera	Member of the Committee
6. Mr. Pothorn Choemvarachart	Member of the Committee
7. Mr. Somchai Keawjaroenpisan	Member of the Committee
8. Ms. Raveewan Chaiyakit	Member of the Committee
9. Mr. Pornthep Wattanakesunthon	Member of the Committee

Full Name	Position
10. Ms. Kulkakanang Pornsatitpongse	Member of the Committee
11. Mrs. Vilai Phongpreecha	Member of the Committee
12. Mr. Somyot Kittisukcharoen	Member of the Committee
13. Ms. Kanoknapat Sithivaraporn	Member of the Committee
14. Mr. Supat Apiratimai	Member of the Committee
15. Mr. Pannatat Samitthisakda	Member of the Committee
16. Mrs. Nusara Rooncharoen	Member of the Committee
17. Mrs. Wimon Lovichit	Member of the Committee
18. Mrs. Duangsamorn Laplertsuk	Member of the Committee
19. Ms. Jitkaneung Saengcheewong	Member of the Committee

---

Ms. Pantuporn Mahangsa acts as the secretary of the Executive Committee.

#### Scope of Duties of Management Committee

1. To establish securities brokerage and derivatives policies, goals, marketing strategies and marketing plans in order to seek the approval from the Executive Committee;
2. To govern and ensure that each business unit operate according to the policies, goals, strategies and plans as well as annual budget approved by the Board of Directors;
3. To govern the investment consultants regarding the following issues:
  - 3.1 To perform duty in line with the marketing plans as approved by the Board of Directors;
  - 3.2 To follow the Company's policies precisely;
  - 3.3 To consider any issues stated by SET, SEC, TFEX and related agencies to find out the solution to prevent in the future together with developing the operation process
4. To provide the development of operation process in line with the marketing policy, the development of the Company's products and services to be more competitive in the industry level and perform any duty as delegated by the Executive Committee or the Board of Directors.

#### Investment Committee

As of December 31<sup>st</sup>, 2015, the Investment Committee consisted of 6 persons as follows:

Full Name	Position
1. Mr. Chuangchai Nawongs	Chairman of the Committee
2. Mrs. Pornpring Suksantisuan	Member of the Committee
3. Mrs. Wimon Lovichit	Member of the Committee
4. Ms. Lucksanavadee Lertsaravuth	Member of the Committee
5. Mrs. Jareerat Fuengfuskul	Member of the Committee

Full Name	Position
6. Ms. Kanokporn Khumsa-ang	Member of the Committee

Ms. Kanokporn Khumsa-ang acts as secretary of the Investment Committee.

#### Scope of Duties and Responsibilities of the Investment Committee

1. To set up the strategies and plans for both short-term and long-term investment for the Company;
2. To diversify risks in investments with appropriate investment proportion;
3. To limit loss from investments that might occur;
4. To report investment status to the Board of Directors to effectively monitor the Company's investment results;
5. To approve any action relating to the investments besides these above mentioned, except the limits to hold securities and losses.
6. To manage the cash of the Company and of the customers for the most optimal benefits in accordance with the announcements of the Government and the Company's policy related to such matters,
7. To consider and give approvals to policies, strategies, objectives and annual work plans of DW business transactions proposed by the Derivatives and Product Development,
8. To monitor and supervise the operations of those departments that are related to the DW business transactions enabling them to operate in accordance with the policies, strategies, objectives and work plans and, also, considering the results of operations,
9. To give an opinion on and approve the details and specific information of the DW that will be proposed for sales,
10. To observe any duties and responsibilities related to DW business transactions,
11. To appoint, assign or replace person(s) to perform any task in lieu of the Company's Board as appropriate.

#### Damage Examination Committee

As of December 31<sup>st</sup>, 2015, the Damage Examination Committee consisted of 4 persons as follows;

Full Name	Position
1. Mr. Chuangchai Nawongs	Chairman of the Committee
2. Ms. Jitkaneung Saengcheewong	Member of the Committee
3. Mrs Wimon Lovichit	Member of the Committee
4. Ms. Nawarat Santikul	Member of the Committee

Ms. Nawarat Santikul acts as secretary of the Damage Examination Committee



### Scope of Duties and Responsibility of the Damage Examination Committee

The Company has ascribed the Damage Examination Committee authorities, duties and responsibilities to examine the trading error transaction and consider any amendment as necessary.

### Customer's Complaints Consideration Committee

As of December 31<sup>st</sup>, 2015, the Customer's Complaints Consideration Committee consisted of 5 persons as follows;

Full Name	Position
1. Mr. Chuangchai Nawongs	Chairman of the Committee
2. Mrs. Wimon Lovichit	Member of the Committee
3. Ms. Nawarat Santikul	Member of the Committee
4. Ms. Jitkaneung Saengcheewong	Member of the Committee
5. Brokerage Management*	Member of the Committee

\* Brokerage Management will be changed depending on to the customer's complaints.

### Scope of Duties and Responsibility of the Customer's Complaints Consideration Committee

The Company has ascribed the Compliance Department and Internal Audit Department to gather all necessary evidence to conclude the dispute and propose to the Damage Examination Committee.

### Information Technology Security Committee

As of December 31<sup>st</sup>, 2015, the Information Technology Security Committee consisted of 3 persons as follows;

Full Name	Position
1. Mrs. Pornpring Suksantisuwan	Chairman of the Committee
2. Mrs. Wimon Lovichit	Member of the Committee
3. Ms. Nawarat Santikul	Member of the Committee

Mrs. Duangsamorn Laplertsuk acts as secretary of the Information Technology Security Committee.

### Scope of Duties and Responsibility of the Information Technology Security Committee

1. To arrange and propose to the Board of Directors to approve policies and procedures relating to operational control and protection of IT security and also inform the information to the management and also all staff at all level to acknowledge and accept practice;
2. To revise and update policy as appropriated according to time and risk that might affect the stability of the Company's Information Technology.

## Management

As of December 31<sup>st</sup>, 2015, the Management consisted of 15 persons as follows;

Full Name	Position
1. Mr. Chuangchai Nawongs	Chief Executive Officer and President
2. Mr. Somphop Keerasuntonpong	President
3. Mrs. Pornpring Suksantisuwan	President
4. Mr. Kuntra Ladavalya Na Ayudhya	Director, Business Unit 1
5. Mr. Chatchai Chumsiri	Director, Business Unit 2
6. Mr. Chaiyaporn Dhammapeera	Director, Business Unit 3
7. Mr. Pothorn Choemvarachart	Director, Business Unit 4
8. Mr. Somchai Kaewjaroenpisan	Director, Business Unit 5
9. Mrs. Vilai Phongpreecha	Director, Business Unit 7
10. Ms. Kanoknapat Sithivaraporn	Director, Business Unit 8
11. Mr. Supat Apiratimai	Director, Business Unit 9
12. Mr. Pannatat Samittisakda	Director, Business Unit 10
13. Mrs. Nusara Rooncharoen	Director, Business Unit 12
14. Mr. Richard Edmond Markarian	Director, Business Unit – Foreign Institution
15. Mrs. Wimon Lovichit	Chief of Operating Officer

Biography of Mr. Chuangchai Nawongs, Mr.Somphop Keerasuntonpong, and Mrs. Pornpring Suksantisuwan are presented under “Board of Directors” section. The biographies of the remaining 12 executive directors are presented as follows:

### 1. Mr. Kuntra Ladavalya Na Ayudhya

Position	<ul style="list-style-type: none"> <li>Executive Director - Business Unit 1, Finansia Syrus Securities Pcl.</li> </ul>
Age	<ul style="list-style-type: none"> <li>47 years</li> </ul>
Educational Background/Credentials	<ul style="list-style-type: none"> <li>Master of Finance, University of La Verne, USA</li> </ul>
Experience	<ul style="list-style-type: none"> <li>Senior Executive Vice President, Syrus Securities Pcl.</li> </ul>
% of Shareholding as of 31 December 2015	<ul style="list-style-type: none"> <li>205,185 shares or 0.04 % of paid up shares</li> </ul>

## 2. Mr. Chatchai Chumsiri

Position	■ Executive Director - Business Unit 2, Finansia Syrus Securities Pcl.
Age	■ 55 years
Educational Background/Credentials	■ Bachelor of Marketing, Bangkok University
Experience	■ Senior Executive Vice President, Syrus Securities Pcl.
% of Shareholding as of 31 December 2015	■ 25,029 shares or 0.004 % of paid up shares

## 3. Mr. Chaipayorn Dhammapeera

Position	■ Executive Director - Business Unit 3, Finansia Syrus Securities Pcl.
Age	■ 55 years
Educational Background/Credentials	■ Master of Management, Chulalongkorn University ■ Director Accreditation Program (DAP) 45/2005 ■ Director Certificate Program (DCP)205/2015 ■ Financial Statement for Director (FND)8/2004 ■ Role of the Chairman Program 16/2007, Thai Institute of Director(IOD)
Experience	■ Managing Director, Finansa Securities Co., Ltd.
% of Shareholding as of 31 December 2015	■ None

## 4. Mr. Pothorn Choemvarachart

Position	■ Executive Director - Business Unit 4, Finansia Syrus Securities Pcl.
Age	■ 58 years
Educational Background/Credentials	■ Master of Management and Human Relation,

Experience	<ul style="list-style-type: none"> <li>Abilene Christian University, Texas, USA</li> <li>Managing Director, Finansa Securities Co., Ltd.</li> </ul>
% of Shareholding as of 31 December 2015	<ul style="list-style-type: none"> <li>None</li> </ul>

#### 5. Mr. Somchai Kaewjaroenpisan

Position	<ul style="list-style-type: none"> <li>Executive Director - Business Unit 5, Finansia Syrus Securities Pcl.</li> </ul>
Age	<ul style="list-style-type: none"> <li>52 years</li> </ul>
Educational Background/Credentials	<ul style="list-style-type: none"> <li>Master of Business Administration (Finance), Kasetsart University</li> </ul>
Experience	<ul style="list-style-type: none"> <li>Senior Executive Vice President, Finansia Syrus Securities Pcl.</li> <li>Senior Executive Vice President, Finansa Securities Co., Ltd.</li> </ul>
% of Shareholding as of 31 December 2015	<ul style="list-style-type: none"> <li>None</li> </ul>

#### 6. Mrs. Vilai Phongpreecha

Position	<ul style="list-style-type: none"> <li>Executive Director - Business Unit 7, Finansia Syrus Securities Pcl.</li> </ul>
Age	<ul style="list-style-type: none"> <li>61 years</li> </ul>
Educational Background/Credentials	<ul style="list-style-type: none"> <li>Bachelor of Economics, Thammasat University</li> <li>Director Certificate Program (DCP)100/2008, Thai Institute of Director (IOD)</li> </ul>
Experience	<ul style="list-style-type: none"> <li>Managing Director, ACL Securities Co., Ltd.</li> <li>Senior Executive Vice President, ACL Securities Co., Ltd.</li> </ul>
% of Shareholding as of 31 December 2015	<ul style="list-style-type: none"> <li>60,949 shares or 0.01 % of paid up shares</li> </ul>

## 7. Ms. Kanoknapat Sithivaraporn

Position	■ Executive Director - Business Unit 8, Finansia Syrus Securities Pcl.
Age	■ 44 years
Educational Background/Credentials	■ Master of Business Administration (International Business), The George Washington University, Washington D.C, USA. ■ Executive Development Program (EDP) 8/2011, Thai Listed Companies Association
Experience	■ Senior Executive Vice President, Finansia Syrus Securities Pcl. ■ Executive Vice President Retail Sales Department, Far East Securities Co.,Ltd ■ Asset Manager, Special Asset Management, Tisco Financial Pcl.
% of Shareholding as of 31 December 2015	■ None

## 8. Mr. Supat Apiratimai

Position	■ Executive Director - Business Unit 9, Finansia Syrus Securities Pcl.
Age	■ 52 years
Educational Background/Credentials	■ Bachelor of Accounting, Bangkok University
Experience	■ Senior Executive Vice President, Finansia Syrus Securities Pcl. ■ Executive Vice President, Siam City Securities Co., Ltd.
% of Shareholding as of 31 December 2015	■ None

#### 9. Mr. Pannatat Smitthisakda

Position	■ Executive Director - Business Unit 10, Finansia Syrus Securities Pcl.
Age	■ 51years
Educational Background/Credentials	■ Master of Public and Private Management, National Institute of Development Administration
Experience	■ Assistant Managing Director, Globex Securities Co., Ltd. ■ Senior Executive Vice President (Securities), KGI Securities (Thailand) Pcl.
% of Shareholding as of 31 December 2015	■ None

#### 10. Mrs. Nusara Rooncharoen

Position	■ Executive Director -Business Unit 12 Finansia Syrus Securities Pcl.
Age	■ 49 years
Educational Background/Credentials	■ Master of Business Administration, Siam University
Experience	■ Senior Executive Vice President, Finansia Syrus Securities Pcl. ■ Executive Vice President, Finansa Securities Pcl.
% of Shareholding as of 31 December 2015	■ None

#### 11. Mr. Richard Edmond Markarian

Position	■ Executive Director - Foreign Institutional Distribution, Finansia Syrus Securities Pcl.
Age	■ 52 years
Educational Background/Credentials	■ Bachelor degree - Arts, History Columbia University, USA
Experience	■ Managing Director, ACL Securities Co.,Ltd.

	<ul style="list-style-type: none"> <li>■ Senior Executive Vice President, Thanachart Securities Pcl.</li> </ul>
% of Shareholding as of 31 December 2015	<ul style="list-style-type: none"> <li>■ None</li> </ul>

## 12. Mrs. Wimon Lovichit

Position	<ul style="list-style-type: none"> <li>■ Chief Operating Officer, Finansia Syrus Securities Pcl.</li> </ul>
Age	<ul style="list-style-type: none"> <li>■ 55 years</li> </ul>
Educational Background/Credentials	<ul style="list-style-type: none"> <li>■ Master of Business Administration, Thammasart University</li> </ul>
Experience	<ul style="list-style-type: none"> <li>■ Senior Executive Vice President- Compliance, Siam Commercial Bank Pcl.</li> <li>■ Head of Compliance and Audit, SCB Securities Co.,Ltd.</li> </ul>
% of Shareholding as of 31 December 2015	<ul style="list-style-type: none"> <li>■ None</li> </ul>

### Scope of Duties of Management

1. To manage and control the Company performance to be in accordance with the Company's policies, goals, business plans, strategies and annual budget approved by Board of Directors and/or Executive Committee;
2. To issue or revoke rules, operating procedures and internal control system for the Company and any announcement to ensure that the Company is in compliance with the policies;
3. To consider and approve operating expenses according to authorization limit or annual budget approved by the Board of Directors;
4. To approve credit limit for any cash account according to the Company's policy;
5. To authorize any IT and office equipment purchase according to the Company's annual budget or less than Baht 3 million;
6. To authorize any office construction or repair with the amount not exceeding Baht 1 million for the part that exceeds annual budget;
7. To be involved with employee recruitment such as, selecting, recruiting, setting remuneration scheme, relocating, training, as well as laying off and setting severance package for employee at the position of Senior Assistance Vice President and below;
8. To appoint lawyer to handle any litigation that is related to the Company business;
9. To appoint or delegate any person (s) as seen fit to act on behalf and revoke or alter such authorization;

10. To perform any tasks as delegated by the Board of Directors or the Executive Committee.

However, such delegation of duties and responsibilities granted by the Chief Executive Officer must not be the delegation or sub-delegation that would enable the Chief Executive Officer and/or authorized person to approve any transactions that may create conflict of interests (according to SET rules and regulations) between the Chief Executive Officer or authorized person. The delegation of duties and responsibilities must be related to transactions with clear stipulation.

## Management Successor Plan

The Company's Board of Directors have successor plan for Chief Executive Officer, President, and senior management level. Qualified candidates from inside or outside of the Company can be nominated for the position. The purpose is to avoid any error on the Company's operation by allowing the qualified person to act on behalf of Chief Executive Officer or President or Management who retire or are unable to perform their duties. The plans are as follows;

1. Management positions required to have management handover plan are Chief Executive Officer, President and Directors;
2. The Board of Directors shall consider and set the required knowledge and experience for each management position;
3. The Board of Directors shall determine the qualification of the person who will replace each management position;
4. The Board of Directors shall evaluate the performance and caliber of qualified person and compared with the required qualification and plan development plan;
5. The Board of Directors may delegate Chief Executive Officer and President to supervise the qualified person's training program;
6. The Board of Directors shall specify duty and responsibility of the qualified person with Senior Executive Vice President level and assigns him/her to attend Board of Directors Meeting to promote understanding, experience and preparation on a rotational basis;
7. The Board of Directors may discuss the results of training and development of the qualified person in the Board of Directors Meeting.



## Positions of Directors, Management and Persons with Controlling Interests in Subsidiary, Associate, Joint Venture or Related Companies

Company Lists	Subsidiary	Associate	Joint Venture	Related Company					
Full Name	FSS International Investment Advisory Securities Co., Ltd	SBI Royal Securities Plc.	SBI Thai Online Securities Company Limited	Finansa Plc.	Finansa Securities Co., Ltd	ICBC (Thai) Leasing Company Limited	True Corporation Plc.	True Visions Group Co., Ltd	True Universal Convergence Co., Ltd
1. Mr. Chatchaval Jiaravanon							✓	✓	✓
2. Mr. Varah Sucharitakul		✓	✓✓	✓	✓				
3. Mr. Chuangchai Nawongs	✓	✓							
4. Mr. Somphop Keerasuntongpong									
5. Mrs. Pornpring Suksantisuwan	✓		✓						
6. Mr. Som Pisarnsophon						✓			
7. Pol.Lt.Gen. Visanu Prasattongsoth			x						
8. Mr. Phaiboon Siripanoosathien									
9. Mr. Kittisak Bencharit									
10. Mr. Kuntra Ladavalaya Na Ayudhya									
11. Mr. Chatchai Chumsiri									
12. Mr. Chaiyaporn Dhammapeera									
13. Mr. Pothorn Choemvarachart									
14. Mr. Somchai Keawjaroenpisan									
15. Mrs. Vilai Phongpreecha									
16. Ms. Kanoknapat Sithivaraporn									
17. Mr. Supat Apiratimai									
18. Mr. Pannatat Samittisakda									
19. Mrs. Nusara Rooncharoen									
20. Mr. Richard Edmond Markarian									
21. Mrs. Wimon Lovichit									

Remark: ✓✓ means Chairman of the Board ✓ means Directors X means Independent Director

## Management Remuneration

### Cash Remuneration

#### (1) Board of Directors and Audit Committee's Remuneration

Unit: Baht

Full Name	2014		2015	
	Meeting Allowance	Bonus	Meeting Allowance	Bonus
1. Mr. Chatchaval Jiaravanon	600,000	2,000,000	550,000	1,600,000
2. Mr. Varah Sucharitakul	240,000	1,500,000	270,000	1,200,000
3. Mr. Chuangchai Nawongs	-	-	-	-
4. Mr. Somphop Keerasuntonpong	-	-	-	-
5. Mrs. Pornpring Suksantisuwan	-	-	-	-
6. Mr. Zhigang Li*	60,000	500,000	90,000	-
7. Mr. Som Pisarnsopon*	-	-	20,000	-
8. Pol.Lt.Gen. Visanu Prasattongsoth	600,000	2,000,000	560,000	1,600,000
9. Mr. Phaiboon Siripanoosati	360,000	1,000,000	390,000	800,000
10. Mr. Kittisak Bencharit	360,000	1,000,000	400,000	800,000
<b>Total</b>	<b>2,220,000</b>	<b>8,000,000</b>	<b>2,280,000</b>	<b>6,000,000</b>

\* Appointed Mr. Som Pisarnsopon, effective from November 30<sup>th</sup>, 2015, to replace the resigned director, Mr. Zhigang Li, effective from November 6<sup>th</sup>, 2015.

#### (2) Management Remuneration

In 2015, the Company paid the remuneration including salary, bonus and other expenses to the Management with the amount of Baht 150,313,383.

#### (3) Sub Committee's remuneration

There was no cash remuneration for the sub-committee such as, Damage Examination Committee, Customer's Complaints Consideration Committee, Investment Committee and Remuneration Committee.

### Other Remunerations

#### (1) Directors' remuneration

- None -

#### (2) Management's remuneration

The Company has provident fund which the Company also paid 5-7 percent of the salary each month. In 2015, the Company paid the insurance in the amount of Baht 5,253,999.

The Company also paid the insurance covering the damage from the management in the amount of Baht 580,111.

Directors and Management shareholding report as of December 31<sup>st</sup>, 2015

No.	Full Name	Position	No. of Securities Held		
			Common Share		
			As at 31 Dec 2014	Increase/ Decrease	As at 31 Dec 2015
1.	Mr. Chatchaval Jiaravanon	Chairman	-	-	-
2.	Mr. Varah Sucharitakul	Deputy Chairman	-	-	-
3.	Mr. Chuangchai Nawongs	Director	-	-	-
4.	Mr. Somphop Keerasuntonpong	Director	-	-	-
5.	Mrs. Pornpring Suksantisuwan	Director	-	-	-
6.	Mr. Zhigang Li	Director	-	-	-
7.	Mr. Som Pisarnsophon	Director	-	-	-
8.	Pol.Lt.Gen. Visanu Prasattongsoth	Independent Director and Chairman of the Audit Committee	3,655,614	-	3,655,614
9.	Mr. Phaiboon Siripanoosatien	Independent Director and Chairman of the Audit Committee	-	-	-
10.	Mr. Kittisak Bencharit	Independent Director and Chairman of the Audit Committee	-	-	-
11.	Mr. Kuntra Ladavalya Na Ayudhya	Executive Director	205,185	-	205,185
12.	Mr. Chatchai Chumsiri	Executive Director	25,029	-	25,029
13.	Mr. Chaiyaporn Dhammapeera	Executive Director	-	-	-
14.	Mr. Pothorn Choemvarachart	Executive Director	-	-	-
15.	Mr. Somchai Kaewjaroenpisan	Executive Director	-	-	-
16.	Mrs. Vilai Phongpreecha	Executive Director	84,495	(23,546)	60,949
17.	Mr. Somyot Kittisukcharoen	Executive Director	-	-	-
18.	Ms. Kanoknapat Sithivaraporn	Executive Director	-	-	-
19.	Mr. Supat Apiratimai	Executive Director	-	-	-
20.	Mr. Pannatat Samittisakda	Executive Director	-	-	-
21.	Mrs. Nusara Rooncharoen	Executive Director	-	-	-
22.	Mr. Richard Edmond Markarian	Executive Director	-	-	-
23.	Mrs. Wimon Lovichit	Chief of Operating Officer	-	-	-

## Top 10 Major Shareholders as of March 4<sup>th</sup>, 2016

	Name of Shareholder	Number of Share	%
1.	Finansa Public Company Limited	170,269,978	29.29
2.	ICBC (Thai) Public Company Limited	129,580,453	22.29
3.	Ms. Chayuda Jiaravanon	33,691,611	5.79
4.	Mr. Chawan Jiaravanon	33,691,611	5.79
5.	Mr. Thawatchai Suebwonglee	16,704,299	2.87
6.	Mr. Anucha Sihanatkathakul	15,418,599	2.65
7.	Mrs. Suporn Wattanavekin	15,071,944	2.59
8.	Thai NVDR Company Limited	13,801,876	2.37
9.	Mr. Arun Santadkhun	9,153,938	1.57
10.	Mr. Paitoon Manasilp	6,870,521	1.18
	Others	137,148,195	23.59
<b>Total</b>		<b>581,403,025</b>	<b>100.00</b>

As of October 19<sup>th</sup>, 2015, the shareholders of Finansa Public Company Limited consist of Morgan Stanley & CO. International PLC holding 10.72 percent, UBS AG Singapore Branch holding 10.60 percent and others holding 78.68 percent.

As of December 31<sup>st</sup>, 2015, the shareholders of ICBC (Thai) Public Company Limited consist of Industrial and Commercial Bank of China Limited holding 97.86 percent and others holding 2.14 percent.

## Internal Control and Risk Management

The Company emphasizes on the importance of governance, monitoring and internal audit control in which the Company assesses business risk which regularly affect business operations, monitors and establish policies regarding risks from insider trading, conflict of interest and risks related to good corporate governance. The Company sets clear Management Structure, separate lines of responsibilities to create effective check and balances.

### 1. Comments from Audit Committee

The Company has Audit Committee to consider and revise adequacy of the internal control system to be appropriate to the changing environment. The Company assigns Internal Audit Department which is independent to audit and report directly to the Audit Committee.

The Audit Committee has revised the internal control system by considering from the monthly reports and Annual Summary of Examination as prepared by the Internal Audit Department to the Audit Committee in order to determine specific aspects of the internal control system. Moreover, the Audit Committee recommends the Internal Audit improvements and the internal control procedures emphasizing on separation of authority, the clear line of the authority and to monitor the continual improvement of any weakness from the results of

examination. In addition, to solve any problem in a correct and timely manner to prevent any breach against the laws, rules and related regulations.

At the Board of Directors Meeting No.2/2016 of February 18<sup>th</sup>, 2016, the Audit Committee assessed the Internal Control System by asking questions of the management on the implementation of guidelines/recommendations to improve internal controls. In summary, in assessing FSS's internal control concerning the five areas which are (1) Organization and Environment (2) Risk Management (3) Control over Management (4) Information and Communication, and (5) Monitoring system.

The Audit Committee concluded that the Company's 5 major areas of Internal Control System including the internal control system related to major shareholders' transaction, management's transaction or any related persons were adequate. Apart from that, the other topics of the internal control system were adequate as well.

## 2. Head of the Company's Internal Audit and Compliance

Mrs. Nawarat Santikul is the head of Internal Audit and Compliance responsible for controlling, monitoring and managing both Internal Audit and Compliance mentioned. The Audit Committee cited her in-depth knowledge understanding of business and experiences in related field as well. So, she was regarded as suitable for the position to achieve the Company's goals efficiently.

In this regard, the authority to appoint, discharge and transfer the Head of Internal Audit and Compliances under the Audit Committee and the Board of Directors.

# DIVIDEND POLICY

The Company has policy to pay dividend in the ratio not less than 40 percent of net profit after deduction of every reserve stated in the Company's policy and dividend payment may be changed according to the Company investment plan or any necessary investment in the future.

## Dividend Payment Data

Year	2013	2014	2015
Earning per share <sup>1</sup>	0.3790	0.8924	0.4430
Dividend per share	0.15	0.31 <sup>2</sup>	0.17
Dividend payout ratio <sup>3</sup>	40.39	35.52	38.37

Remark: 1: The Company Financial Statements

2: Dividend payment in form of ordinary shares and cash; (1) Company ordinary shares at the ratio of 5.64 existing shares for 1 unit or at value of Baht 0.28 per share; and (2) cash payment at rate of Baht 0.0315208826 per share.

3: Dividend payout ratio calculated from profits for the year of the Company less legal reserve (5%) in cash basis.

## SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Company	Investment Value	% Held
<b>FSS International Investment Advisory Securities Co., Ltd</b>  The Subsidiary was granted a license to provide investment advisory services and to be a Derivative Advisor <b>Head Office:</b> 12 <sup>th</sup> Floor, Unit 1210, Abdulrahim Place, 990 Rama IV Road, Silom, Bangrak, Bangkok, 10500 Tel. 0-2611-3500; Fax. 0-2611-3551	Baht 7.70 million	96.25%
<b>SBI Royal Securities Plc.</b>  The Company operates securities business registered under Cambodian law. <b>Head Office :</b> Phnom Penh Tower, No.445, Preah Monivong Blvd, Sangkat Boeung Pralit,Khan 7 makara,Phnom Penh	Baht 105.46 million	20.01%
<b>SBI Thai Online Securities Company Limited</b>  The Company operates securities business registered under Thai law. <b>Head Office:</b> 31 <sup>st</sup> Floor, Thai Summit Tower, 1768 New Petchaburi Road, Bangkok, Huay Kwang Bangkok 10310	Baht 325.00 million	44.99%

# CORPORATE INFORMATION

The Company is a member of SET No. 24 and a member of the Thai Bond Dealing Center providing securities brokerage business

## Head Office

Incorporate Number 0107547000079

18<sup>th</sup>, 25<sup>th</sup> Floor, The Offices at Central World

999/9 Rama I Road, Pathumwan, Bangkok 10330

Tel. 0-2658-9500 Fax. 0-2658-9110

Website: [http:// www.fnsyrus.com](http://www.fnsyrus.com)

## Branches

As of December 31<sup>st</sup>, 2015 the Company has 36 branches consisting of:

### Bangkok and its vicinity

#### **1.Thai Summit Office (Address of Support Center)**

5<sup>th</sup> Floor, Thai Summit Tower  
1768 New Petchburi Road, Bangkapi,  
Huay Kwang, Bangkok 10310  
Tel: 0-2680-0700, 0-2680-0777;  
Fax. 0-2680-0769

#### **2. Alma Link Office**

9<sup>th</sup>, 14<sup>th</sup>, 15<sup>th</sup> Floor, Alma Link Building  
25 Soi Chidlom, Ploenchit Road, Lumpini,  
Pathumwan, Bangkok 10330  
Tel: 0-2646-9999, 0-2646-9600;  
Fax: 0-2646-9888

#### **3. Amarin Office**

20<sup>th</sup> Floor, Amarin Tower  
496-502 Ploenchit Road, Lumpini, Pathumwan,  
Bangkok 10330  
Tel: 0-2660-5000, 0-2264-6000;  
Fax: 0-2660-5010

#### **4. Central Pinklao 1 Branch**

14<sup>th</sup> Floor, Room 1404, Central Tower Pinklao  
7/129-221 Baromratchachonanee Road,  
Arunamarin, Bangkok Noi, Bangkok 10700  
Tel: 0-2878-5999;  
Fax: 0-2878-5998

#### **5. Bangkapi Branch**

3<sup>rd</sup> Floor, Room A3 R02, N-Mark Building  
3105 Ladprao Road, Klongchan, Bangkapi,  
Bangkok 10240  
Tel: 0-2378-4545;  
Fax: 0-2378-4544

#### **6. Italthai Tower Branch**

11<sup>th</sup> Floor, Unit 11-07/01 Italthai Tower  
2034/52 New Petchburi Road, Bangkapi, Huay  
Kwang, Bangkok 10310  
Tel: 0-2716-0559;  
Fax: 0-2716-0560

#### **7. Bang Na Branch**

19<sup>th</sup> Floor, 1093/105, Tower 1 Office Building  
1093 Moo 12, Bang Na Trad Road, Bang Na,  
Bangkok 10260  
Tel: 0-2740-7100;  
Fax: 0-2740-7199

#### **8. Sindhorn 1 Branch**

2<sup>nd</sup> Floor, Sindhorn Tower 1  
130-132 Witthayu Road, Lumpini, Pathumwan,  
Bangkok 10330  
Tel: 0-2690-4100;  
Fax: 0-2690-4101



**9. Sindhorn 2 Branch**

24<sup>th</sup> Floor, Sindhorn Tower 3  
130-132 Witthayu Road, Lumpini, Pathumwan,  
Bangkok 10330  
Tel: 0-2263-2220; Fax: 0-2263-2219

**10. Sindhorn 3 Branch**

19<sup>th</sup> Floor, Sindhorn Tower 3  
130-132 Witthayu Road, Lumpini, Pathumwan,  
Bangkok 10330  
Tel: 0-2263-2144;  
Fax: 0-2263-2145

**11. Ladprao Branch**

11<sup>th</sup> Floor, Unit 1106, Rasa Tower 2  
555 Phaholyothin Road, Jatujak,  
Bangkok 10900  
Tel: 0-2513-7477;  
Fax: 0-2513-7430

**12. Prachachuen Branch**

4<sup>th</sup> Floor, B Building  
105/1, Tessaban Songkroh Road, Ladyao,  
Jatujak, Bangkok 10900  
Tel: 0-2580-9130;  
Fax: 0-2580-9138

**13. Thai Summit Branch**

2<sup>nd</sup> Floor, Thai Summit Tower  
1768, New Petchaburi Road, Bangkapi,  
Huay Kwang, Bangkok 10310  
Tel: 0-2658-5388;  
Fax: 0-2658-5383, 0-2658-5384

**14. Ratanatibets Branch**

68/127, Moo 8, Ratanatibets Road,  
Bang Krasor, Nonthaburi 11000  
Tel: 0-2831-8300;  
Fax: 0-2831-8388

**15. Samut Sakhon Branch**

3<sup>rd</sup>, 4<sup>th</sup> Floor, ICBC Thai Tower  
930/42 S & 930/42 H, Ekachai Road, Mahachai,  
Muang Samut Sakhon, Samut Sakhon 74000  
Tel: 034-820-245;  
Fax: 034-820-650

**16. Rangsit Branch**

1/832 Moo 17 Soi Phaholyothin 60, Phaholyothin  
Road, Kukod, Lamlookka,  
Pathumthani 12130  
Tel: 0-2993-8180;  
Fax: 0-2993-8179

**17. Abdulrahim Place Branch**

12<sup>th</sup> Floor, Abdulrahim Place Building,  
Room 1201  
990, Rama IV Road, Silom, Bangrak,  
Bangkok 10500  
Tel: 0-2611-3500;  
Fax: 0-2611-3551

**1.Khon Kaen 1 Branch**

311/16 Klang Muang Road, Nai Muang,  
Khon Kaen 40000  
Tel: 043-321-333;  
Fax: 043-321-955

**2.Khon Kaen 3 Branch**

311/1 Klang Muang Road, Nai Muang,  
Khon Kaen 40000  
Tel: 043-322-755;  
Fax: 043-322-766

**3. Hadyai 1 Branch**

2<sup>nd</sup> Floor, 200/221, 223 Juladis Hadyai Plaza  
Building, Nipatuthit 3 Road, Hadyai,  
Songkla 90110  
Tel: 074-353-330;  
Fax: 074-353-329

**4. Hadyai 2 Branch**

106 Prachathipat Road, Hadyai, Songkla 90110  
Tel: 074-243-777; Fax: 074-244-955

**5. Hadyai 3 Branch**

2<sup>nd</sup> Floor, 200/222, 200/224 and 200/226 Juladis  
Hadyai Plaza Building,  
Nipatuthit 3 Road, Hadyai, Songkla 90110  
Tel: 074-354-670; Fax: 074-354-677

**6. Chiang Mai 1 Branch**

308 Chiang Mai Land, Changklan Road,  
Changklan, Muang Chiang Mai,  
Chiang Mai 50100  
Tel: 053-204-711; Fax: 053-235-880, 053-272-369

**7. Chiang Mai 2 Branch**

310 Chiang Mai Land, Changklan Road,  
Changklan, Muang Chiang Mai,  
Chiang Mai 50100  
Tel: 053-235-889, 053-204-909;  
Fax: 053-235-890, 053-204-910

**8. Chiang Mai 3 Branch**

1<sup>st</sup> Floor, Mali Place Building Room B1-1, B1-2  
32/4 Moo2, Mali Place Building, Mae Hia,  
Muang Chiang Mai,  
Chiang Mai 50100  
Tel: 053-805-388; Fax: 053-805-390

**9. Surat Thani Branch**

173/83-84 Moo 1, Wat Pho-Bang Yai Road,  
Makham Tia,  
Muang District, Surat Thani 84000  
Tel: 077-222-595; Fax: 077-222-596

**10. Nakorn Pathom Branch**

28/16-17, Ying Pao Road, Sanam Chan, Muang  
Nakorn Pathom,  
Nakorn Pathom 73000  
Tel: 034-294-000; Fax: 034-294-098-99

**11. Mae Sai Branch**

119 Moo10, Mae Sai, Chiang Rai 57130  
Tel: 053-640-599; Fax: 053-733-819

**12. Online Phuket Branch**

22/18 Luang Phor Wat Chalong Road,  
Talad Yai, Muang Phuket, Phuket 83000  
Tel: 076-210-499;  
Fax: 076-210-498

**13. Trang Branch**

59/28 Huayyod, Tubtieng, Muang Trang,  
Trang 92000  
Tel: 075-211-219; Fax: 075-212-400

**14. Krabi Branch**

223/20 Maharaj Road, Paknam, Muang Krabi,  
Krabi 81000  
Tel: 075-622-460;  
Fax: 075-622-464

**15. Pattani Branch**

300/69-70 Moo 4, Roo Samilea, Muang Pattani,  
Pattani 94000  
Tel: 073-350-140-4; Fax: 073-350-014

**16. Chiang Rai Branch**

353/15 Moo 4, Rimkok, Muang Chiang Rai,  
Chiang Rai 57100  
Tel: 053-750-120;  
Fax: 053-750-127

**17. Udonthani Branch**

197/29, 213/3, Udondusadee Road, Mak Khaeng,  
Muang, Udonthani 41000  
Tel: 042-245-589;  
Fax: 042-324-146

**Share Capital****Registered:**

Baht 930,244,841 divided to 581,403,025 ordinary  
shares at par value of Baht 1.60 each

**Issued and fully paid:**

Baht 930,244,841 divided to 581,403,025 ordinary  
shares of Baht 1.60 each

**Company's Auditor:**

Ms.Ratana Jala, Certified Auditor Number 3734 and/or

Ms.Ratchada Yongsawadvanich, Certified Auditor Number 4951 and/or

Ms.Somjai Khunpasut, Certified Auditor Number 4499

EY Office Limited

33<sup>rd</sup> Floor, Lake Rachaada Office Complex

193/136-137, New Ratchadaphisek Road, Klongtoey, Bangkok 10110

Tel: 0-2264-0777; Fax: 0-2264-0789-90

**18. Nakhon Ratchasima Branch**

7<sup>th</sup> Floor, The Mall Nakhon Ratchasima Office  
Building, Room A3,  
1242/2, Mitraphab Road, Nai Muang, Nakhon  
Ratchasima 30000  
Tel: 044-288-700; Fax: 044-393-732, 044-393-749

**19. Sriracha Branch**

135/99 Sukhumvit Road, Sriracha,  
Chonburi 20110  
Tel: 038-772-777;  
Fax: 038-772-781

**Company Registrar**

Thailand Securities Depository Co., Ltd.

1<sup>st</sup> Floor, The Stock Exchange of Thailand

93 Ratchadaphisek Road, Dindaeng,

Bangkok 10400, Thailand

Tel: 0-2009-9000; Fax: 0-2009-9991

Email: SETContactCenter@set.or.th

Website: <http://www.set.or.th/tsd>

FINANSIA SYRUS SECURITIES PUBLIC COMPANY LIMITED

999/9 The Offices at Central World  
18<sup>th</sup>, 25<sup>th</sup> Fl., Rama 1 Road, Pathumwan, Bangkok 10330  
Tel. 0 2658 9500 Fax. 0 2658 9110  
[www.fnsyrus.com](http://www.fnsyrus.com)